



**MINNESOTA
BUDGET
PROJECT**

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Who receives the Renters' Credit?

Like all Minnesotans, Minnesota's renters want safe, affordable homes for themselves and their families. But some Minnesotans earning low wages or on fixed incomes struggle to afford the cost of housing and other basic necessities. By providing property tax refunds to qualifying homeowners and renters, the state of Minnesota helps bring down one of the costs of housing and creates a more equitable tax system overall.

The property tax refund for renters is often called the Renters' Credit.¹ The Renters' Credit provides a tax refund to low- and moderate-income renters whose property taxes are considered high for their income level. The Renters' Credit refunds a portion of the property taxes that renters have paid through their rents. Qualifying households had incomes of \$59,960 or less; the credit is particularly targeted to the state's lowest-income households, and a substantial majority of households receiving the credit have incomes of about \$30,500 or less.

For the 2016 tax year, about 325,000 Minnesota households received the Renters' Credit, and the average amount of credit received was \$653.² Twenty-nine percent of the households receiving the Renters' Credit included senior citizens and/or people living with disabilities; they received a larger average credit of \$723. The share of participating households that include seniors or people living with disabilities tends to be higher in Greater Minnesota. In fact, in 13 Greater Minnesota counties, at least one-half of participating households included seniors and/or persons living with disabilities.³

Minnesotans in every county receive the Renters' Credit. The table below illustrates the importance of the Renters' Credit to residents of each Minnesota county and for the state as a whole.

Table 1: Renters' Credits received by county of residence, Tax Year 2016

County	Total Renters' Credits	Participating households		Average Renters' Credit	
		Number	Share with seniors and/or persons with disabilities	All recipients	Seniors and/or persons with disabilities
Aitkin	\$275,718	512	54%	\$539	\$615
Anoka	\$11,752,872	15,763	28%	\$746	\$848
Becker	\$728,321	1,308	41%	\$557	\$641
Beltrami	\$1,086,403	1,945	37%	\$559	\$684
Benton	\$1,718,649	2,947	31%	\$583	\$723
Big Stone	\$115,846	200	61%	\$579	\$735
Blue Earth	\$2,316,517	4,279	27%	\$541	\$683
Brown	\$610,998	1,231	45%	\$496	\$592
Carlton	\$865,870	1,425	49%	\$608	\$704
Carver	\$2,568,005	3,646	30%	\$704	\$798
Cass	\$398,876	769	37%	\$519	\$586
Chippewa	\$265,925	583	46%	\$456	\$500
Chisago	\$1,185,485	1,745	39%	\$679	\$731
Clay	\$2,004,917	3,490	31%	\$574	\$691

County	Total Renters' Credits	Participating households		Average Renters' Credit	
		Number	Share with seniors and/or persons with disabilities	All recipients	Seniors and/or persons with disabilities
Clearwater	\$130,545	243	49%	\$537	\$631
Cook	\$87,153	178	34%	\$490	\$542
Cottonwood	\$176,306	415	43%	\$425	\$506
Crow Wing	\$1,941,135	3,379	37%	\$574	\$654
Dakota	\$17,517,436	23,643	25%	\$741	\$828
Dodge	\$313,975	604	34%	\$520	\$589
Douglas	\$1,160,141	2,076	41%	\$559	\$685
Faribault	\$194,592	471	41%	\$413	\$492
Fillmore	\$316,502	680	47%	\$465	\$511
Freeborn	\$809,825	1,544	36%	\$524	\$637
Goodhue	\$1,271,186	2,180	40%	\$583	\$670
Grant	\$101,049	207	58%	\$488	\$548
Hennepin	\$67,726,556	96,916	23%	\$699	\$773
Houston	\$287,847	645	40%	\$446	\$455
Hubbard	\$362,969	698	51%	\$520	\$584
Isanti	\$1,042,523	1,533	32%	\$680	\$758
Itasca	\$997,532	1,707	46%	\$584	\$685
Jackson	\$111,314	270	44%	\$412	\$482
Kanabec	\$333,594	568	45%	\$587	\$616
Kandiyohi	\$1,462,359	2,646	30%	\$553	\$643
Kittson	\$46,711	114	70%	\$410	\$420
Koochiching	\$224,813	536	52%	\$419	\$469
Lac Qui Parle	\$84,038	212	57%	\$396	\$446
Lake	\$236,014	408	46%	\$578	\$655
Lake of the Woods	\$53,062	112	43%	\$474	\$581
Le Sueur	\$525,136	975	33%	\$539	\$592
Lincoln	\$51,273	130	48%	\$394	\$467
Lyon	\$832,344	1,657	36%	\$502	\$608
McLeod	\$964,365	1,841	34%	\$524	\$647
Mahnomen	\$43,921	105	54%	\$418	\$453
Marshall	\$92,621	210	48%	\$441	\$510
Martin	\$487,017	1,003	49%	\$486	\$543
Meeker	\$466,406	890	39%	\$524	\$593
Mille Lacs	\$616,349	1,097	39%	\$562	\$596
Morrison	\$820,860	1,534	47%	\$535	\$611
Mower	\$1,159,321	1,994	40%	\$581	\$688
Murray	\$86,976	200	39%	\$435	\$543
Nicollet	\$1,032,620	1,824	30%	\$566	\$709
Nobles	\$471,247	943	32%	\$500	\$507
Norman	\$72,324	159	45%	\$455	\$556

County	Total Renters' Credits	Participating households		Average Renters' Credit	
		Number	Share with seniors and/or persons with disabilities	All recipients	Seniors and/or persons with disabilities
Olmsted	\$5,320,097	8,653	26%	\$615	\$716
Otter Tail	\$1,292,517	2,467	45%	\$524	\$604
Pennington	\$282,724	654	41%	\$432	\$473
Pine	\$529,759	964	41%	\$550	\$556
Pipestone	\$92,424	253	39%	\$365	\$363
Polk	\$625,569	1,314	38%	\$476	\$513
Pope	\$248,671	424	56%	\$586	\$667
Ramsey	\$32,896,320	48,047	25%	\$685	\$746
Red Lake	\$55,228	138	45%	\$400	\$450
Redwood	\$296,397	605	43%	\$490	\$648
Renville	\$219,207	452	39%	\$485	\$647
Rice	\$2,051,006	3,234	31%	\$634	\$728
Rock	\$179,868	383	51%	\$470	\$513
Roseau	\$226,755	449	41%	\$505	\$613
St. Louis	\$6,066,855	10,963	43%	\$553	\$635
Scott	\$3,990,307	5,340	25%	\$747	\$829
Sherburne	\$2,180,756	3,305	27%	\$660	\$728
Sibley	\$286,690	559	40%	\$513	\$619
Stearns	\$5,980,640	10,202	26%	\$586	\$722
Steele	\$1,242,499	2,051	37%	\$606	\$677
Stevens	\$176,586	386	36%	\$457	\$599
Swift	\$185,475	435	45%	\$426	\$479
Todd	\$364,426	739	47%	\$493	\$548
Traverse	\$48,037	92	55%	\$522	\$543
Wabasha	\$425,999	784	38%	\$543	\$608
Wadena	\$346,946	693	52%	\$501	\$569
Waseca	\$488,561	926	40%	\$528	\$592
Washington	\$7,587,280	9,771	31%	\$777	\$908
Watonwan	\$164,086	391	42%	\$420	\$494
Wilkin	\$81,219	216	53%	\$376	\$449
Winona	\$1,150,805	2,405	34%	\$479	\$590
Wright	\$3,042,945	4,669	32%	\$652	\$730
Yellow Medicine	\$145,085	350	41%	\$415	\$477
Unknown/ Other	\$3,179,958	6,136	15%	\$518	\$667
TOTAL	\$212,058,056	324,840	29%	\$653	\$723

By Nan Madden and Abimael Chavez-Hernandez

¹ The official name of the property tax refund for homeowners is the Homestead Credit Refund.

² The data in this issue brief comes from Minnesota Department of Revenue, Property Tax Research Unit, and represent property tax refund claims filed in 2017 for tax year 2016, the most current year for which detailed data are available.

³ The starting point for calculating the Renters' Credit is a percentage of the rent paid, which is considered the renter's share of property taxes. Starting with refunds filed in 2012, this percentage of rent decreased from 19 percent to 17 percent, and it is still 17 percent today. In 2013, policymakers increased the maximum refund amount and reduced the "threshold." The threshold is the percentage of income a household must pay in property taxes in order to qualify for a refund, which also affects the size of their refund. In the 2014 Legislative Session, policymakers approved an additional one-time 6 percent increase for Renters' Credits received in 2014 only.