

# Information for Private School Families

## K-12 Education Tax Credit & Subtraction

Minnesota has two tax relief programs for families with children in kindergarten through 12th grade: the **K-12 Education Subtraction**, and the **K-12 Education Credit**. Both programs help lower taxes and may provide a larger refund. when you file your Minnesota Form M1, Individual Income Tax Return. Because the rules for the education credit and subtraction are so similar, this section will cover both tax areas.

To qualify for either program, both of the following must be true:

- You have a “qualifying child” attending kindergarten through 12th grade at a public, private or a qualified home school.
- You paid “qualified education expenses” during the year for that child’s education.

### A qualifying child is defined as

- Your child attended kindergarten through 12th grade during the year.
- Your child meets the federal definition of “qualifying child” used for the Earned Income Credit.
  - **Relationship** — the taxpayer’s child or stepchild (whether by blood or adoption), foster child, sibling or stepsibling, or a descendant of one of these.
  - **Residence** — has the same principal residence as the taxpayer for more than half the tax year. Exceptions apply, in certain cases, for children of divorced or separated parents, kidnapped children, temporary absences, and for children who were born or died during the year.
  - **Age** — must be under the age of 19 at the end of the tax year, or under the age of 24 if a full-time student for at least five months of the year, or be permanently and totally disabled at any time during the year.
  - **Support** — did not provide more than one-half of his/her own support for the year.

### For the K-12 credit:

- Your “household income” must be below a certain limit for the year.
- Your filing status cannot be married filing separate.
- The credit is limited to 75 percent of paid qualifying expenses.
- To claim the K-12 credit, complete Schedule M1ED with your Minnesota Form M1, Individual Income Tax Return.

### Household Income:

- Household income is your federal adjusted gross income plus your nontaxable income. For a detailed list of income to include.
- The household income limit for the K-12 Education Credit depends on the number of “qualifying children” you had in school during the year, as shown in the table below.

Number of "qualifying children" in Grades K-12:	Your maximum household income is:
1 or 2	\$37,500
3	\$39,500
4	\$41,500
5	\$43,500
6	\$45,500
7	\$47,500
8 or more	Add \$2,000 for each additional child

**For the K-12 subtraction:**

- Your qualifying child must attend a school located in Minnesota, Iowa, North Dakota, South Dakota or Wisconsin.
- You can claim tuition paid for private schools and/or college courses used to satisfy high school graduation requirements
- The subtraction is limited to \$1,625 for each qualifying child in grades K-6 and \$2,500 for each qualifying child in grades 7-12. For children in 6th and 7th grades, use the limit for the child’s grade level at the end of the tax year; for children who started college during the tax year, use the 12th grade limit.
- To claim the K-12 subtraction, complete Schedule M1M with your Minnesota Form M1, Individual Income Tax Return.

<b>Examples of expenses that may qualify for the education credit and/or subtraction:</b>			
<b>Educational Expense</b>	Qualifies for:		
	<b>Credit</b>	<b>Subtraction</b>	<b>Neither</b>
Private School Tuition. (grades K-12)		X	
Tuition for college courses that are used to satisfy high school graduation requirements.		X	
Tutoring (by qualified instructor).	X	X	
Fees for after school enrichment programs such as science exploration and study habits courses.	X	X	
Tuition for summer camps that are primarily academic in focus such as language or fine arts camps.	X	X	
Fees for all-day Kindergarten.	X	X	
Music Lessons.	X	X	
Instructor Fees for drivers education courses if the school offers a class as part of the curriculum.	X	X	
Sports camps or lessons.			X
Nonreligious academic books and materials purchased for use during the regular public, private or home school day.	X	X	
Purchase of books and materials used for tutoring, enrichment programs or academic camps.			X
Purchase or rental of musical instruments used for regular school music class.	X	X	
Fees paid to others for transportation to/from school or for field trips during the normal school day.	X	X	
Costs to transport your child to and from tutoring, enrichment programs or camps that are not part of the school day.			X
Travel expenses, lodging, and meals for overnight class trips.			X
Home computer hardware and educational software (up to \$200 for credit & \$200 for deduction).	X	X	
Non-educational computer software.			X
Costs of school lunches			X
Costs of uniforms used for school, band, or sports.			X
Monthly Internet Fees			X

\*Note: You must save your itemized cash register receipts, invoices, and other documentation with your tax records.