

February 28, 2023

To Governor Tim Walz and Members of the Minnesota Legislature:

The organizations listed below strongly support efforts to remove arbitrary barriers that keep otherwise eligible Minnesotans from accessing elements of our tax code simply because they use a federal Individual Taxpayer Identification Number (ITIN) for tax purposes, instead of a Social Security Number, due to their immigration status.

Minnesotans who use ITINs play vital roles in our communities and economy, and do their part to fund our schools, roads and bridges, and other public services we all count on. For example, immigrants pay sales taxes on their purchases, pay property taxes on their homes, and pay income taxes deducted from their paychecks and when they file their taxes in the spring.

But arbitrarily excluding them from certain tax policies mean that Minnesotans who file with ITINs may be paying more in taxes than their neighbors who file their taxes with Social Security Numbers.

We specifically support the following policies to remove these barriers:

- **Provide equal access to the Working Family Credit** to ITIN filers who meet all other eligibility requirements (House File 1400 (L. Lee), Senate File 1600 (Putnam)). The Working Family Credit, the state's version of the federal Earned Income Tax Credit, boosts the incomes of lower-income workers and families, supports their success in the workforce, and gets kids off to a strong start. An estimated 8,200 Minnesota households with ITINs could gain eligibility, and Minnesota would join a growing number of states to enact this policy.
- **Accept ITINs in applications for homestead status** (House File 1343 (Youakim), Senate File 174 (Oumou Verbeten)). Currently only Social Security Numbers are accepted to qualify for homestead status. Without homestead status, ITIN filers pay higher property taxes and cannot qualify for the state's Homeowner's Homestead Credit Refund, an income-targeted property tax refund for those whose property taxes are considered high for their income level. They also currently may be excluded from other services available to homeowners that require proof of homestead status. An estimated 3,300 households filing with ITINs would qualify for homestead status, and of these 1,900 would qualify for the Homestead Credit Refund.

We thank the bill authors for introducing these important policies for a more equitable tax code, and thank Governor Walz and Lieutenant Governor Flanagan for including these provisions in their FY 2024-25 budget proposal. Please pass these provisions into law this session.

(over)

100% Campaign
ACER
Center for Economic Inclusion
Health Law Clinic - Mitchell Hamline School
of Law
Immigrant Law Center of Minnesota
Jewish Community Action
Jewish Family and Children's Service of
Minneapolis
LatinoLEAD
Legal Services Advocacy Project
Minnesota Asset Building Coalition

Minnesota Budget Project
Minnesota Coalition for the Homeless
Minnesota Council on Latino Affairs
Minnesota Nurses Association
NLC - Twin Cities
Pillsbury United Communities
Prepare + Prosper
SEIU Minnesota State Council
TakeAction Minnesota
The Advocates for Human Rights
Voices for Racial Justice