



## 2023 Summary of Annual Forms Changes

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This document summarizes changes made to 2023 Minnesota fiduciary income, business income, estate, individual income, withholding, and property tax forms.

### General Updates

- No substantive changes to the estate tax forms
- Created new Schedule M1DQC, Dependents and Qualifying Children
- Created new Schedule M1CWFC, Minnesota Child and Working Family Credits
- Created new Schedule PTE-RP, Pass-through Entity Tax for Resident Partners
- Created new Schedule MHP, Credit for Sales of Manufactured Home Parks to Cooperatives
- Created new Schedule RAIL, Short Line Railroad Infrastructure Modernization Credit
- Eliminated Schedule M1WFC, including Working Family Credit tables
- Eliminated the following nonconformity schedules:
  - Schedule M1NC, Federal Adjustments
  - Schedule M4NC, Federal Adjustments
  - Schedule M2NC, Federal Adjustments
  - Schedule M2SBNC, Federal Adjustments
  - Schedule KFNC, Federal Adjustments
  - Schedule KSNC, Federal Adjustments
  - Schedule KPINC, Federal Adjustments
  - Schedule KPCNC, Federal Adjustments

### 2023 Withholding Tax Form Changes

#### Form W-4MNP, Minnesota Withholding Certificate for Retirement Account, Pension, or Commercial Annuity Payments

- Removed allowance method to calculate withholding tax

## 2023 Business Income Tax Form Changes

### Form M4, Corporate Franchise Tax Return

- Changed Line 2h on the M4I to Intentionally Left Blank
- Removed GILTI subtraction line from the M4I
- Added Line 4k on the M4I for the “Delayed Business Interest” subtraction
- Updated the language on Line 4m on the M4I from “a medical cannabis manufacturer” to “a licensed cannabis business”
- Changed Line 4n on the M4I to Intentionally Left Blank
- Updated minimum fee table on the M4A
- Added Line 14 to the M4T for the Housing Tax Credit and input for the credit certificate number
- Added Line 15 to the M4T for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 16 to the M4T for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Updated mailing zip code to 55146-1250

### Form M4X, Amended Franchise Tax Return/Claim for Refund

- Added Line 15 for the Housing Tax Credit and input for the credit certificate number
- Added Line 16 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 17 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Changed Line 2h on the Amended Income Calculation to Intentionally Left Blank
- Removed GILTI subtraction line from the Amended Income Calculation
- Added Line 4k on the Amended Income Calculation for the “Delayed Business Interest” subtraction
- Updated the language on Line 4m on the Amended Income Calculation from “a medical cannabis manufacturer” to “a licensed cannabis business”
- Changed Line 4n on the Amended Income Calculation to Intentionally Left Blank
- Updated mailing zip code to 55146-1255

### Schedule DIV, Deduction for Dividends Received

- Changed Line 2 to Intentionally Left Blank
- Updated Lines 13 and 14 to a 50 percent deduction
- Updates Line 17 to a 40 percent deduction

### Form M8, S Corporation Return

- Added Line 10 for the Housing Tax Credit and input for the credit certificate number
- Added Line 11 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 12 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Updated minimum fee table on Form M8A
- Updated mailing zip code to 55146-1770

## **Form M8X, Amended S Corporation Return**

- Added Line 10 for the Housing Tax Credit and input for the credit certificate number
- Added Line 11 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 12 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Updated mailing zip code to 55146-1770

## **Schedule KS, Shareholder's Share of Income, Credits and Modifications**

- Changed Line 6 to Intentionally Left Blank
- Changed Line 8 to Intentionally Left Blank
- Removed GILTI subtraction line
- Updated the language on Line 16 from "a medical cannabis manufacturer" to "a licensed cannabis business"
- Changed Line 17 to the "Delayed Business Interest" subtraction
- Updated Line 21 to the Housing Tax Credit and input for the credit certificate number
- Updated Line 22 to the Short Line Railroad Infrastructure Modernization Credit
- Updated Line 23 to the Credit for Sales of Manufactured Home Parks to Cooperatives

## **Form M3, Partnership Return**

- Added Line 9 for the Housing Tax Credit and input for the credit certificate number
- Added Line 10 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 11 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Updated minimum fee table on Form M3A
- Updated mailing zip code to 55146-1760

## **Form M3X, Amended Partnership Return**

- Added Line 10 for the Housing Tax Credit and input for the credit certificate number
- Added Line 11 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 12 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Updated mailing zip code to 55146-1760

## **Schedule KPI, Partner's Share of Income, Credits and Modifications**

- Changed Line 6 to Intentionally Left Blank
- Changed Line 8 to Intentionally Left Blank
- Removed GILTI subtraction line
- Updated the language on Line 16 from "a medical cannabis manufacturer" to "a licensed cannabis business"
- Changed Line 17 to the "Delayed Business Interest" subtraction
- Updated Line 21 to the Housing Tax Credit and input for the credit certificate number

- Updated Line 22 to the Short Line Railroad Infrastructure Modernization Credit
- Updated Line 23 to the Credit for Sales of Manufactured Home Parks to Cooperatives

### **Schedule KPC, Partner’s Share of Income, Credits and Modifications**

- Changed Line 9 to Intentionally Left Blank
- Removed GILTI subtraction line
- Updated the language on Line 19 from “a medical cannabis manufacturer” to “a licensed cannabis business”
- Changed Line 21 to the “Delayed Business Interest” subtraction
- Updated Line 23 to the Housing Tax Credit and input for the credit certificate number
- Updated Line 24 to the Short Line Railroad Infrastructure Modernization Credit
- Updated Line 25 to the Credit for Sales of Manufactured Home Parks to Cooperatives

### **Schedule PTE, Pass-Through Entity Tax**

- Updated Part 1 guidance for the tax calculation to be complete for shareholders and nonresident partners
- Updated Line 2 to remove “federal changes not adopted by Minnesota”
- Changed Line 3 to Intentionally Left Blank
- Added Line 16 to include one-fifth subtractions of prior year bonus depreciation addition in a year where composite tax or PTE was elected
- Added Line 17 to include one-fifth subtractions of prior year section 179 expensing addition in a year where composite tax or PTE was elected
- Added calculation Lines 18 through 20
- Expanded usage and language on Lines 23 and 24
- Added Line 28 to include amount from new Schedule PTE-RP

## **2023 Fiduciary Income Tax Form Changes**

### **Form M2, Income Tax Return for Estates and Trusts**

- Added Line 19 for the Housing Tax Credit and input for the credit certificate number
- Added Line 20 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 21 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Changed Line 47 to Intentionally Left Blank
- Changed Line 50 to Intentionally Left Blank
- Added Line 51 for “Other Additions”
- Removed GILTI subtraction line
- Changed Line 60 to Intentionally Left Blank
- Updated the language on Line 64 from “a medical cannabis manufacturer” to “a licensed cannabis business”

- Added Line 65 for the “Delayed Business Interest” subtraction
- Added Line 66 for the “Delayed Net Operating Loss Deduction” subtraction
- Added Line 67 for “Other Subtractions”
- Updated mailing zip code to 55146-1310

### **Form M2X, Amended Income Tax Return for Estates and Trusts**

- Added Line 19 for the Housing Tax Credit and input for the credit certificate number
- Added Line 20 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 21 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Changed Line 48 to Intentionally Left Blank
- Changed Line 51 to Intentionally Left Blank
- Added Line 52 for “Other Additions”
- Removed GILTI subtraction line
- Changed Line 61 to Intentionally Left Blank
- Updated the language on Line 65 from “a medical cannabis manufacturer” to “a licensed cannabis business”
- Added Line 66 for the “Delayed Business Interest” subtraction
- Added Line 67 for the “Delayed Net Operating Loss Deduction” subtraction
- Added Line 68 for “Other Subtractions”
- Updated mailing zip code to 55146-1310

### **Schedule M2SB, Income Tax Computation for S Portion of ESBT**

- Changed Line 18 to Intentionally Left Blank
- Removed GILTI subtraction line
- Changed Line 21 to Intentionally Left Blank
- Changed Line 31 to Intentionally Left Blank
- Updated the language on Line 35 from “a medical cannabis manufacturer” to “a licensed cannabis business”
- Added Line 36 for the “Delayed Business Interest” subtraction
- Added Line 37 for the “Delayed Net Operating Loss Deduction” subtraction

### **Schedule M2NM,**

- Added “See Instructions” to Lines 4 and 7
- Changed Line 12 to Intentionally Left Blank
- Updated line 14 to “Other Required Additions (see instructions)”
- Changed Line 24 to Intentionally Left Blank
- Added Line 26 for the “Delayed Business Interest” subtraction
- Added Line 27 for the “Delayed Net Operating Loss Deduction” subtraction
- Updated line 28 to “Other Required Subtractions (see instructions)”

## **Schedule M2MT, Alternative Minimum Tax**

- Updated Line 9 maximum exemption to \$43,990

## **Schedule KF, Beneficiary's Share of Minnesota Taxable Income**

- Changed Line 7 to Intentionally Left Blank
- Added Line 10 for "Other Additions"
- Removed GILTI subtraction line
- Changed Line 15 to Intentionally Left Blank
- Changed Line 20 to Intentionally Left Blank
- Updated the language on Line 23 from "a medical cannabis manufacturer" to "a licensed cannabis business"
- Added Line 24 for the "Delayed Business Interest" subtraction
- Added Line 25 for "Other Subtractions"
- Added Line 35 for the Housing Tax Credit and input for the credit certificate number
- Added Line 36 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 37 for the Credit for Sales of Manufactured Home Parks to Cooperatives

## **2023 Individual Income Tax Form Changes**

### **Form M1, Individual Income Tax Return**

- Removed list of dependents from the top of the form
- Added line 28 for penalty and interest

### **Schedule M1C, Other Non-Refundable Credits**

- Added Line 13 for the Credit for Sales of Manufactured Home Parks to Cooperatives
- Added Line 14 for the Short Line Railroad Infrastructure Modernization Credit
- Added Line 15 for the Housing Tax Credit and input for the credit certificate number

### **Schedule M1CR, Credit for Income Tax Paid to Another State**

- Added checkbox to show credit being claimed is for taxes paid at an entity level to another state

### **Schedule M1ED, K-12 Education Credit**

- Removed Lines 2-6 previously used to calculate household income

### **Schedule M1M, Income Additions and Subtractions**

- Changed Line 29 to Qualified retirement benefits subtraction

- Added Line 30 for Subtraction for damages received under sexual harassment or abuse claims
- Added Line 31 for Subtraction for long-term service and support workforce incentive grants
- Added Line 32 for Subtraction for Nursing Facility Workforce Incentive Grants

### **Schedule M1MB, Business Income Additions and Subtractions**

- Changed Line 18 to Subtraction for Delayed business interest
- Added Line 19 for Delayed Net Operating Loss Deduction

### **Schedule M1NR, Nonresidents/Part-Year Residents**

- Changed Line 14 to Intentionally Left Blank

### **Schedule M1RCR, Credit for Tax Paid to Wisconsin**

- Added checkbox to show credit being claimed is for taxes paid at an entity level to Wisconsin

### **Schedule M1REF, Refundable Credits**

- Added Line 2b for entering number of qualified older children from Schedule M1CWFC

### **Schedule M1UE, Unreimbursed Employee Business Expenses**

- Removed Lines 12b and 13b used to calculate multiple mileage rates in 2022

## **2023 Property Tax Refund Form Changes**

### **Form M1PR, Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund**

- Changed Line 11 to Intentionally Left Blank

### **Form M1PRX, Amended Homestead Credit Refund (for Homeowners) and Renter's Property Tax Refund**

- Changed Line 11 to Intentionally Left Blank