

2009 Landlord Instructions for Form CRP

You are required by law to provide one Certificate of Rent Paid (CRP) to each adult renter by January 31, 2010 (M.S. 290A.19).

What's new

In response to the historic budget crisis facing the State of Minnesota, the Commissioner of Minnesota Management and Budget, with the approval of the Governor, has unallotted a portion of the money available to pay 2009 renter refunds. The Department of Revenue has been instructed to make those renter refunds based on 15 percent of the rent paid rather than 19 percent of the rent paid, which is what has been used in prior years. The forms have been designed to reflect the unallotment.

Who must issue CRPs

If you own rental property and rent living space to other persons, you or your managing agent must issue a CRP to those persons if:

- property tax was payable in 2009 on the property, or
- you were not required to pay property tax, but you made payments in lieu of property taxes.

Nursing homes, adult foster care homes, intermediate care, assisted living or other health-care facilities use the additional instructions available on the department's website at www.taxes.state.mn.us. If you do not have access to the Internet, call us at 651-296-3781 or 1-800-652-9094 to request a copy.

Nursing homes, adult foster care homes, intermediate care or other health-care facilities use a flat dollar amount per month to determine the rent paid by a resident. The rate is used only for purposes of determining rent constituting property taxes and is adjusted annually for inflation.

If you bought or sold the property in 2009

If you sold the property, you must give each renter a CRP that covers the period of time you owned the building, or you must turn over to the buyer all information showing the rent paid for the period you owned the building. The buyer must then include those amounts when preparing 2009 CRPs for the renters.

If you bought the property and the seller did not tell you the amount of rent paid by the renter for the period the seller owned

the property, enter on line 1 the total rent paid to you by the renter for the period you owned the building.

Who must receive a CRP

You must complete and give one CRP to each married couple or unmarried adult who lived in a rental unit you owned.

Married renters: Give only one CRP to a married couple. If the couple separated or divorced before you issued the CRP, give the CRP to the one who remained in the rental unit. If both moved out, give the CRP to the first one who asks for it.

Unmarried renters: Give a separate CRP to each adult person who lived in the rental unit, even if their name is not on the lease. On the CRP given to each person, provide their name only—do not include others who lived in the rental unit.

If more than one unmarried adult lived in the unit, show that each paid an equal amount of rent, regardless of the amount each person actually paid.

Due date

You must issue CRP forms no later than January 31, 2010.

Renters who move: If a renter moves, you may give the person the CRP either at the time of the move or by January 31, 2010.

If a tenant moved and left no forwarding address, send the CRP to the person's last known address. Keep a copy for the tenant until August 15, 2011.

Penalties

An owner who, without reasonable cause, fails to give a CRP to renters may be assessed a \$100 penalty for each such instance. Even if the renter owes back rent, the owner must issue a CRP to the renter for rent actually paid.

There is also a penalty if the owner or managing agent knowingly overstates the amount of rent constituting property tax. The penalty is \$100 or 50 percent of the overstatement, whichever is larger. An overstatement is presumed to be knowingly made if the amount of rent constituting property tax reported is 10 percent or more above the actual amount.

Line instructions

Do not round off dollar amounts. Use exact amounts, including dollars and cents.

Line 1

Enter the total rent *paid by the renter* for occupancy in 2009. If a government housing agency or private charity paid you part of the rent for this unit or if rent was for a mobile home lot, place an X in the appropriate box under line 1.

Include on the same CRP:

- the rent paid to you for use of the rental unit,
- any storage space, and
- the garage or parking space.

If the renter received reduced rent for being a caretaker or for providing other services, enter the rent the renter would have paid if he or she had not provided the services. If the renter was a caretaker, write "caretaker" on the dotted line to the left of line 1.

If more than one unmarried adult lived in the unit, complete a separate CRP in each person's name and show that each paid an equal amount of rent, regardless of the amount each person actually paid.

If the renters are roommates and one or more of the roommates moved in or out during the year, show that each of the roommates paid an equal portion of the rent for the months they occupied the rental unit together.

Do not include:

- the subsidized amount of rent paid for the renter by a government or private housing agency (vended MFIP payments are not considered subsidized and should be included on line 1)
- damage deposits
- charges for medical care, food or laundry
- free rent you provided as an incentive to rent from you
- rent paid for farmland.

Nursing homes or intermediate care facilities:

Multiply the number of months the resident resided in the care facility by \$430. Enter the result on line 1. You are not required to issue residents a CRP for short-term or transitional care.

Adult foster care homes: Multiply the number of months the resident resided in the adult foster care home by \$670. Enter the result on line 1.

Assisted living facilities: The amount of rent for line 1 should not include the value of services provided. For more information, visit our website at www.taxes.state.mn.us.

Line 2

The percentage for *all* renters is 15 percent.

Line 3

Multiply line 1 by 15 percent (.15) and enter the result on line 3. This is the amount of rent the renter is considered to have paid for property tax.

Need more CRP forms?

The department provides four CRP forms to landlords. If you need more forms, you can:

- **photocopy the forms you need.** If you make copies, be sure to use a full sheet of paper for each CRP form.
- **download Form CRP and instructions at www.taxes.state.mn.us.** Follow the links for Property Tax Refund forms and instructions and click on *CRP Instructions for Landlords*.

- **purchase software that will generate multiple CRP forms.** Third-party software is available for a fee. For a list of available software, go to www.taxes.state.mn.us, and click on the “e-Services” link.
- **create your own CRP forms.** Specifications for creating substitute CRP forms are available at www.taxes.state.mn.us. You must receive approval from the department before you can provide your substitute forms to renters.

CRP forms for 2010

The department maintains a mailing list of owners of rental property and will send CRP forms and instructions to those on the list each year.

If your name or address changes, please let us know by completing and returning the form below or by calling 651-296-3781 or 1-800-652-9094.

If you want to create and print your own substitute CRP forms next year, indicate

your desire below and mail the form to the address provided. You must send in samples of your substitute forms for approval before you can provide your forms to renters.

Do your tenants have questions?

In January, when you give the required CRP forms to your tenants, you may be asked questions about the property tax refund or income tax issues.

You can refer them to the department website to find fact sheets, forms, instructions and other tax-related information. Our website address is: www.taxes.state.mn.us.

Or, they can call 651-296-3781 or 1-800-652-9094. (TTY users, call 711 for Minnesota Relay.)

Information is also available by writing to: Minnesota Revenue, Mail Station 5510, St. Paul MN 55146-5510.

Notice of Proposed Property Tax

Between November 10 and November 24, 2009, you will receive a Notice of Proposed Property Tax for Taxes Payable in 2010 from your county treasurer.

By state law—as an owner of rental housing—you are required to:

- mail or hand deliver a copy of the notice to your tenants, or
- post a copy of your notice in a conspicuous place on the premises occupied by your tenants.

The purpose of providing copies or posting the notice is to notify tenants of proposed property tax increases or decreases on the building, which may affect their rent payments.

You must post, mail or hand deliver a copy of your Notice of Proposed Property Tax to your tenants by:

- November 27, 2009, or
- no later than three days after you receive the notice, whichever is later.

If you want your notice to be mailed to a different address

While the Notice of Proposed Property Tax is normally mailed to the same address as the property tax bill, owners of rental housing may call or write their county treasurer to request the notice be mailed to a different address.

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Use this form only if you are making changes to your name or address, or if you wish to be removed from our mailing list.

Do not submit this form unless you are making changes.

Landlord ID number: _____

This number is used for tracking purposes and is found on the label used to mail your CRPs.

New or current address

Name of agent/owner

Business name (if different)

Address

City, state, zip code

Old address

Name of agent/owner

Business name (if different)

Address

City, state, zip code

Place an X in this box if you want to be taken off our mailing list to receive CRP forms in the future.

Place an X in this box to receive specifications next year for creating and printing your own CRP forms. You will receive only two CRPs to use as examples. All substitute forms must be pre-approved. Complete instructions are included in the specifications.

Detach and mail this form to: Minnesota Revenue, Mail Station 1421, St. Paul, MN 55146-1421

2009 Certificate of Rent Paid

Purpose of CRP

Eligible renters (see eligibility requirements below) may receive a refund based on property taxes paid on their principal place of residence in Minnesota and their income. The landlord is required to give each renter a completed Form CRP, *Certificate of Rent Paid*, no later than January 31, 2010. Renters will need this CRP to apply for a property tax refund.

New for 2009. In response to the historic budget crisis facing the State of Minnesota, the Commissioner of Minnesota Management and Budget, with the approval of the Governor, has unallotted a portion of the money available to pay 2009 renter refunds. The Department of Revenue has been instructed to make those renter refunds based on 15 percent of the rent paid rather than 19 percent of the rent paid, which was the percentage used in prior years. This form has been designed to reflect the unallotment.

A lawsuit was recently filed challenging the legality of the unallotment. Renters whose household income is below \$53,030 and who would otherwise qualify for a refund may want to file Form M1PR even if they calculate a zero refund using the amount from line 3 of their certificate of rent paid, to help assure that they will get a refund if funding is restored. If legal changes are made for the 2009 renter refund, the department will publish additional guidance.

You must file Form M1PR and include all CRPs to claim a refund.

Roommates: The landlord is required to give each unmarried renter living in a unit a separate CRP showing that each roommate paid an equal portion of the rent, regardless of the portion actually paid or whose names are on the lease.

To be completed by landlord

Renter's name and address of the unit rented		Owner's or managing agent's name and address (including zip code)	
Property ID number or parcel number	County	Number of units on this property:	

Rented from: _____ to: _____ (month) (day) (month) (day)	Total months rented:	Number of adults living in unit: (count married couple as 1)	<input type="checkbox"/> Place an X in box if count includes married couple
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Place an X if: Nursing home Intermediate care facility Adult foster care Assisted living

A. Amount paid for the renter by GAMC or medical assistance (Medicaid) _____

B. Group Residential Housing (GRH) payments received by landlord on behalf of this renter _____

1 Rent paid to you by this individual renter or married couple for 2009 **1** _____
 If a government housing agency paid you part of the rent for this unit, place an X in this box, but do not include the amounts paid by the government agency in line 1.
 Place an X in this box if rent was for a mobile home lot.

2 The percentage for all renters is 15 percent (.15) **2** _____ **15 %**

3 Multiply line 1 by line 2. **Renters:** Include this amount on line 9 of Form M1PR **3** _____

Landlord's signature

Landlord: I declare that this certificate is correct and complete to the best of my knowledge and belief.

Owner's or agent's signature	Date	Business phone
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Important information for renters

Eligibility requirements for renters

You may qualify for the property tax refund if all of the following conditions apply to you for 2009:

- You were a full-year or part-year resident of Minnesota, and
- You cannot be claimed as a dependent on someone else's 2009 federal income tax return, and
- Your total household income is less than \$53,030. (Household income is your federal adjusted gross income plus most nontaxable income. If you are married and living together, both incomes are included in household income. If you are single, use your income only; do not include the income of any other person living with you. Also, to arrive at your total household income, a subtraction is allowed if you have dependents or if you or your spouse are age 65 or older or disabled.)

If you meet the above eligibility requirements, complete Form M1PR, *Property Tax Refund Return*, to determine the amount of your refund. You must include this CRP when you file your return.

You can find Form M1PR and other tax-related information on our website at www.taxes.state.mn.us. Or, you can order forms by calling 651-296-4444 or 1-800-657-3676. If you still have questions, call the department at 651-296-3781 or 1-800-652-9094. TTY users, call Minnesota Relay at 711.

If you qualify, complete and file Form M1PR. You must include this CRP when you file your M1PR return. Be sure to make copies of your Form M1PR and this form and keep them with your records.