

Landlord Instructions for Form CRP 2008

You are required by law to provide one Certificate of Rent Paid (CRP) to each renter by January 31, 2009 (M.S. 290A.19).

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 2008 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 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 will be adjusted annually for inflation. To correctly complete the CRPs for your residents, you will need additional instructions, which will be available on the department's website at www.taxes.state.mn.us. If you don't have access to the Internet, call us at 651-296-3781 or 1-800-652-9094 to request a copy. Information will be available by the end of December.

If you bought or sold the property in 2008

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 2008 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, 2009.

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, 2009.

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, 2010.

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 2008. If a government housing agency or private charity paid you part of the rent for this unit, check the box in 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 (vendored 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 \$420. 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.

Line 2

The percentage for *all* renters is 19 percent, even if a government housing agency paid part of the rent for the unit.

Line 3

Multiply line 1 by 19 percent (.19) 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 2009

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 of Revenue 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, 2008, you will receive a Notice of Proposed Property Tax for Taxes Payable in 2009 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, 2008, 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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MINNESOTA • REVENUE

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

- Check this box if you want to be taken off our mailing list to receive CRP forms in the future.
- Check this box to receive specifications next year for creating and printing your own CRP forms. If you check this box, you'll 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

Certificate of Rent Paid 2008

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. For purposes of the property tax refund, 19 percent of the rent paid during the year is considered the portion paid for property tax.

The landlord is required to give each renter a completed *Certificate of Rent Paid*, Form CRP no later than January 31, 2009. Renters will need this CRP to apply for a property tax refund.

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: month _____ day _____ 2008 to: month _____ day _____ 2008 Number of adults living in unit (count married couple as 1): _____

A. If the rental unit is a nursing home or health care facility, enter the amount paid for the renter by GAMC or medical assistance (Medicaid) . . . _____

B. If the landlord received Group Residential Housing (GRH) payments, enter the amount received from GRH on behalf of this renter _____

1	Rent paid to you by this individual renter or married couple for 2008	1	_____
	<i>If a government housing agency paid you part of the rent for this unit, check box <input type="checkbox"/>, but do not include the amounts paid by the government agency in line 1.</i>		
2	The percentage for all renters is 19 percent (.19)	2	_____ 19 %
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 _____

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 2008:

- You were a full-year or part-year resident of Minnesota, and
- You cannot be claimed as a dependent on someone else's 2008 federal income tax return, and
- Your total household income is less than \$52,300. (Household income is your federal adjusted gross income plus most nontaxable income. If you are married and living together, the incomes of both spouses 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.

Get your refund faster! If you file Form M1PR electronically, you may be eligible to receive your refund as early as mid-July. For more information, see page 4 of the Form M1PR instruction booklet or go to www.taxes.state.mn.us.