

Greater Minnesota Internship Tax Credit Program Program Overview for Eligible Institutions June 4, 2014

In May 2013, Governor Dayton signed into law a new program called the Greater Minnesota Internship Tax Credit Program*.

The new program, administered by the Office, is designed to stimulate businesses to hire college students as interns to work in greater Minnesota and assist those college students in finding permanent career positions.

Students earn postsecondary academic credit while being employed as interns in greater Minnesota and participating employers who hire eligible students as interns in greater Minnesota can apply for tax credits up to \$2,000 per intern.

Which students are eligible?

Students must:

- Be attending a participating college
- Have completed 50% of the credits required to complete their certificate, diploma or degree program including both undergraduate and graduate programs*
- Be employed as an intern in Greater Minnesota defined as any county other than Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright
- Not be employed as an intern in order to complete requirements as part of his or her academic program's curriculum
 - For example, a student enrolled in a nursing program completing clinical hours or a student enrolled in an auto body repair program completing required internship credits.
 - Exception is if student will be receiving academic credit to fulfill a general or liberal arts required of all students.

Which Minnesota colleges can participate?

Any Minnesota public college or university or non-profit, baccalaureate or graduate degree* granting college or university located in Minnesota.

What do participating colleges have to do?

Participating colleges play a crucial role in the success of this program.

Eligible colleges that choose to participate will:

- Determine student eligibility
- Match eligible students with eligible internship opportunities
 - Internship experience must be related to an eligible student's course of study
- Enter into agreements with employers
 - Allows employers to apply for tax credit in exchange for meeting agreement obligations
- Provide academic credit for successful completion of internship requirements or ensure student is credited for completing a requirement of a vocational technical program
- Collect employment data from participating employers
- Report data to the Office

* Some minor changes to the program's statute were signed into law during the 2014 legislative session and effective May 20, 2014. Those changes are reflected in this document and denoted with an asterisk (*).

Which employers are eligible to apply for the tax credit?

Employer participation and cooperation in the administration of this program is critical.

Employers who wish to apply for the tax credit must:

- Be a taxpayer under Minnesota Statutes Section 290.01; and
- Enter into an agreement with a participating college to employ an eligible student intern
- Certify the student intern:
 - Would not have been hired without the tax credit
 - Did not previously work for the employer in a same or similar job
 - Does not replace a current employee
 - Has not previously participated in the program; and
 - Will be employed at a location in greater Minnesota
 - Will be paid at least minimum wage
 - Will work for a minimum of 16 hours per week for at least 8 weeks* (Tax Year 2014 internships that began before 5/20/2014 must have been for a minimum of 12 weeks)
 - Will be supervised and evaluated.

In addition, employers must agree to provide the college and/or the Office with follow-up data on any participating student interns later employed full-time by the employer.

If your college or university is interested in participating or if you have any questions, please contact:

Megan FitzGibbon
Manager of State Scholarship Programs
Minnesota Office of Higher Education
1450 Energy Park Drive, Suite 350
Saint Paul, Minnesota 55108
megan.fitzgibbon@state.mn.us
(651)355-0606
(800)657-3866
(651)642-0675 (FAX)

* Some minor changes to the program's statute were signed into law during the 2014 legislative session and effective May 20, 2014. Those changes are reflected in this document and denoted with an asterisk (*).