

# Residency

## Income Tax Fact Sheet 1

Minnesota residents must pay Minnesota tax on taxable income received inside and outside of the state. This rule does not apply to individuals who are nonresidents under the Servicemembers Civil Relief Act.

You are required to file a Minnesota income tax return if your Minnesota gross income meets the minimum filing requirement (\$12,900 for 2022). File electronically or use [Form M1, Individual Income Tax](#), to file your return. For details, see [Income Tax Fact Sheet 12, Filing Past Due Returns](#).

If your Minnesota gross income is less than the requirement, you should file a Minnesota return to claim a refund if any of these apply:

- You had Minnesota tax withheld
- You made estimated tax payments to Minnesota
- You qualify for refundable credits

## Your Minnesota Residency Status

Minnesota residency is generally defined by domicile (permanent residency) or the 183-day rule. In determining residency, we will consider both your words and actions, with actions carrying more weight than words.

If you maintain a home in Minnesota, but claim residency elsewhere, you must keep adequate records to verify that you spent more than half of the year out of state. Records include planners, calendars, plane tickets, canceled checks, credit card statements, and other receipts.

## Domicile (Permanent Residency)

Your “domicile” is the place you intend to make your home permanently or for an indefinite period of time. Once you establish a domicile in Minnesota, it continues until you take action to change it. If you move out of Minnesota but do not intend to permanently remain in another state or country, you continue to be a Minnesota resident.

## Criteria Used to Determine Domicile

Your domicile, or permanent residence, is determined by these factors. No single factor determines your domicile.

### Physical Presence

- Where you spend a majority of your time

### Family and Community Connections

- Location of your spouse (see **Spousal Presumption**), children, dependents, and other relationships
- Location of keepsakes
- Location of memberships, clubs, and other organizations
- Where you attend church
- Where you or family members attend school (in-person or online) and whether resident or nonresident tuition was charged

### Professional and Business

- Location and status of professional licenses
- Location of union membership
- Location of employment (permanent or temporary)
- Location of real and personal property
- Business relationships

### Housing

- Location of newly acquired living quarters
- Status of former living quarters
- Size and value of residences
- Address change notifications

## Statements and Declarations of Legal Residence

- Location of domicile for prior years
- State that issued driver's license
- Voting registration and history
- Location where financial transactions occur
- Address on military records
- Address on legal documents
- Statements to insurance companies
- Where resident or nonresident hunting/fishing licenses were purchased
- Location of jury duty
- Statements to other taxing authorities

**Note:** The Minnesota Department of Revenue does not consider your donations to charity when determining your residency. We will not ask for this information, and you do not have to provide it.

## Spousal Presumption

Your spouse is generally assumed to be a resident of the same state as you, except in these situations:

- You are legally separated or divorced
- You or your spouse is a member of the military
- There is evidence to the contrary

**Example:** You moved to another state for work. Your spouse remained in Minnesota to sell your house and to see your children through the rest of the school year. The intent is that your spouse and children will join you.

## The 183-Day Rule

You're considered a Minnesota resident for tax purposes (even if you have permanent residency in another state) if you meet both of these conditions:

- You spend at least 183 days in Minnesota during the year (any part of a day counts as a full day)
- You or your spouse rent, own, maintain, or occupy a residence in Minnesota suitable for year-round use and equipped with its own cooking and bathing facilities

If both conditions apply for the entire year, you must follow the filing requirements for a full-year Minnesota resident.

If you meet the first condition, but the second condition applies for less than the full year, you are considered a part-year resident for the time the second condition applies. You must follow the filing requirements for a part-year Minnesota resident.

## Exceptions to the 183-Day Rule

The 183-day rule does not apply in these situations:

- Members of the military (or their spouses) who are stationed in Minnesota but are permanent residents of another state
- Residents of Michigan and North Dakota (these states have tax reciprocity agreements with Minnesota)

## Changing Residency

Changing legal residence requires:

- Physical presence in a new location
- Intent to remain there permanently or indefinitely

## Part-year Residents

You are considered a part-year resident if, during the year, you either:

- Moved into Minnesota with the intention of remaining
- Moved out of Minnesota and established a permanent residence elsewhere

For details, see [Income Tax Fact Sheet 2, Part-Year Residents](#).

## Nonresidents

You are considered a nonresident if you earn income in Minnesota, but are a permanent resident of another state or country. For details, see [Income Tax Fact Sheet 3, Nonresidents](#).

## Special Cases

### Reciprocity

Minnesota has reciprocity agreements with Michigan and North Dakota. These agreements cover only personal service income such as wages, salaries, tips, commissions, and bonuses. For details, see [Income Tax Fact Sheet 4, Reciprocity](#).

### Foreign Income

If you earned income in a foreign country, you may qualify for the federal foreign earned income exclusion. If you qualify and your foreign earned income is excluded on your federal return, Minnesota will not tax this income. You **must** still file a Minnesota return.

Some individuals (such as federal employees) may not qualify for the federal earned income exclusion. Others may have earned income above the federal threshold or have unearned income that does not qualify for the federal exclusion. In these cases, you may be able to exclude income on your Minnesota return by qualifying as a nonresident.

You are considered a nonresident if:

- You do not homestead property in Minnesota
- You have been outside the United States for at least 330 days during a 12-month period

You will pay tax only if you have income derived from Minnesota sources. For details on what kinds of income Minnesota taxes, see [Income Tax Fact Sheet 2, Part-Year Residents](#), and [Income Tax Fact Sheet 3, Nonresidents](#).

## Military Personnel

Members of the military and their spouses remain permanent residents of the state where they have established permanent residency until they take the needed steps to change their residency. For details, see [Income Tax Fact Sheet 5, Military Personnel - Residency](#).

## Students

Students remain residents of the state in which they have established permanent residency (even if they attend school full-time in another state) unless they take steps to establish a new residency. If you are a resident of another state attending school in Minnesota, you may be considered a Minnesota resident under the 183-day rule.

**Note:** The 183-day rule does not apply to students who are residents of a reciprocity state – Michigan or North Dakota. For details, see [Income Tax Fact Sheet 4, Reciprocity](#).

If you are a nonresident, you must pay Minnesota tax on any income earned from work performed in Minnesota.

### Information And Assistance

Additional forms and information, including fact sheets and frequently asked questions, are available on our website.

**Website:** [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

**Email:** [individual.incometax@state.mn.us](mailto:individual.incometax@state.mn.us)

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