

## 2019 Certificate of Rent Paid (CRP) Instructions

Property owners or managing agents are required to issue one Certificate of Rent Paid (CRP) to each adult renter by January 31, 2020. A managing agent acts on behalf of the property owner.

### What's New?

- Married couples must receive separate CRPs showing they each paid an equal portion of rent.
- Minnesota law allows the Minnesota Department of Revenue to collect CRPs from property owners or managing agents.
- Starting in January 2020, businesses with e-Services accounts can generate CRPs electronically in e-Services. This feature allows you to create, print, and submit CRPs to the Minnesota Department of Revenue. For more information, visit [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **CRP info**.

**Note:** Generating and submitting CRPs in e-Services is optional for rents paid in 2019.

### Do I need to issue CRPs?

If you own or manage property and rent living space to someone, you must issue CRPs to your tenants if one of the following is true:

- Property tax was payable on the property in 2019
- You were not required to pay property tax, but you made payments in lieu of property taxes
- Certain property types have special requirements for issuing CRPs:
- For nursing homes, adult foster care homes, intermediate care, assisted living, or other health-care facilities, visit [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **landlords** for specific instructions
- Cooperatives do not need to issue CRPs

### What constitutes rent?

Rent is the amount paid for the right to occupy a rental unit as the renter's principal residence, even if the amount is not stated in a rental agreement.

Rent includes amounts paid:	Rent does not include:
<ul style="list-style-type: none"> <li>• by the state or county, such as vendor payments, Medical Assistance, or Housing Support</li> <li>• for a garage, parking space, or storage locker provided as part of a rental agreement</li> <li>• for utilities or pets if included as part of rent</li> <li>• by the city due to relocation</li> <li>• by the Department of Employment and Economic Security – Services for the Blind</li> </ul>	<ul style="list-style-type: none"> <li>• damage deposit (unless used to pay rent)</li> <li>• late charges or fees</li> <li>• rent paid after December 31, 2019</li> <li>• utilities if paid separately from rent</li> <li>• emergency assistance</li> <li>• rent paid by a federal government housing agency or federal program, such as Section 8 Housing Choice Voucher Program or HUD</li> <li>• rent paid by charitable organizations</li> <li>• rent paid by persons not living in the unit</li> <li>• charges for medical services, food, or laundry</li> <li>• the value of free rent provided as an incentive to rent the unit</li> <li>• a garage or separate structure not provided as part of a rental agreement</li> <li>• rent paid for farmland</li> </ul>

**Note:** Minnesota Statute 290A.03 Subd. 12(b) defines the rent amount for nursing homes, intermediate care facilities, and adult foster care homes, which may be different from the amount actually paid.

### What if multiple renters live in one unit?

If one or more adult renters live in the same unit for the entire year, show each individual paid an equal amount of rent.

**Note:** Married couples must receive separate CRPs showing they each paid an equal portion of rent.

If an adult renter moved in or out during the year, show each individual paid an equal amount of rent for the months they lived in the rental unit together.

### What if I bought or sold a property during the year?

If you sold rental property, you have two options:

1. Give the buyer all information showing rent paid by each renter while you owned the building
2. Give each renter a CRP that covers the rent paid during the time you owned the building

If you bought the property and the seller:

1. Provided you with the rent amount paid by each renter while the seller owned the property,
  - Report the total amount the renter paid for the year and the total number of months rented for the year
2. Did not provide you with the rent amount paid by each renter while the seller owned the property,
  - Enter the total amount the renter paid to you while you owned the building
  - Report only the number of months the renter paid rent while you owned the building

## Who do I issue CRPs to?

You must provide a separate CRP to each adult renter who lived in the rental unit in 2019. You must issue a CRP even if their name was not on the lease. Only one name should be on each CRP.

## What if I own or manage a mobile home or mobile home park?

Mobile home parks and owners should use the tables below to determine how to issue CRPs.

### Mobile Home Parks

If:	Then:
Mobile home owner lived in the mobile home	Issue 1 CRP to owner for lot rent
Mobile home owner did not live in the mobile home	Issue 1 CRP to each adult living in the mobile home for lot rent
Mobile home park owned mobile home	Issue 1 CRP to each adult living in the mobile home for lot and mobile home rent

### Mobile Home Owners

If:	Then:
You received rent for mobile home only	Issue 1 CRP to each adult living in the mobile home for mobile home
You received rent for the lot and mobile home	Issue 1 CRP to each adult living in the mobile home for lot and mobile home rent

## When should I issue CRPs?

You must issue CRPs no later than January 31, 2020 for rent paid in 2019. You can give CRPs to renters as an electronic or hard copy.

If a renter moves before December 31, 2019, you may give them their CRP when they move or by January 31, 2020. If you do not have a forwarding address, send the CRP to their last known address.

## Do I need to keep copies of CRPs I issue?

You must keep a copy of all 2019 CRPs until February 1, 2023.

## Line Instructions

### Renter and Unit Information

The Electronic Certification Number (ECN) is generated when creating CRPs in e-Services. If you do not use e-Services, leave this field blank.

### Property Information

Select a checkbox if the rental property is an adult foster care, assisted living, intermediate care facility, or nursing home. Based on your selection, follow the instructions in the Total Rent section.

If the rent is for a mobile home or a mobile home lot, select the appropriate checkboxes.

If you received rent for:	Check:
Lot only	Mobile Home Lot
Mobile home only	Mobile Home
Lot and Mobile Home	Mobile Home Lot and Mobile Home

## Rent Details

### Line A

Medical Assistance covers medical expenses of low-income Minnesotans. For more information on Medical Assistance, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **landlords**.

If Medical Assistance paid any rent, select the Yes box and enter the total amount paid.

### Line B

Housing Support, formerly known as Group Residential Housing, pays room and board for low-income seniors and adults with disabilities. The housing provider receives payments for the eligible person. For more information on Housing Support, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **landlords**.

If Housing Support paid any rent, select the Yes box and enter the total amount paid.

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## Total Rent

### Line 1

Enter the total rent paid by the renter in 2019.

- Nursing homes or intermediate care facilities: Multiply the number of months the resident lived in the care facility by \$510. Do not issue residents a CRP for short-term or transitional care
- Adult foster care homes: Multiply the number of months the resident lived in the adult foster care home by \$790
- Assisted living facilities: Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **assisted living** for instructions

See “What constitutes rent?” above.

### Line 2

If the renter paid a reduced rent in exchange for being a caretaker, enter the amount of reduction on this line.

**Example:** If rent is reduced by \$200 per month for caretaking, enter \$2,400 (\$200 x 12 months).

## Penalties

If you do not give CRPs to your renters, you may have to pay a \$100 penalty for each CRP not issued. You must issue a CRP for rent actually paid even if the renter owes back rent.

If you overstate the amount of rent constituting property tax, you may also have to pay a \$100 penalty or 50% of the overstatement, whichever is greater.

## Where can I get CRPs?

- Download the CRP and instructions at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **CRP**
- Use software. For a list of software, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **CRP Software**
- Create your own CRPs. Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **form approval** to learn how to create your own CRPs. You must send samples to the department for approval before you can send substitute CRPs to renters

## Questions?

Forms and instructions are available on our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

If you have questions:

- Visit our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and search **landlords**
- Send us an email at [individual.incometax@state.mn.us](mailto:individual.incometax@state.mn.us)
- Call us at 651-296-3781 or 1-800-652-9094