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## DIGEST

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HB 534 Reengrossed

2017 Regular Session

James

**Abstract:** Authorizes a rebate for donations to the Louisiana Office of Student Financial Assistance (LOSFA) for a postsecondary education scholarship or grant and caps the amount of rebates authorized annually at \$5M.

Proposed law authorizes a rebate for donations a taxpayer makes during a taxable year to the La. Office of Student Financial Assistance (LOSFA), which administers the state's postsecondary education scholarship and grants programs. The amount of the rebate shall be equal to the actual amount of the taxpayer's donation used by LOSFA for a postsecondary education scholarship or grant, which shall not include administrative costs.

Proposed law prohibits more than 2% of each donation from being used by LOSFA for administrative costs.

Proposed law provides that the rebate may be paid only if the following requirements are satisfied:

- (1) The donation is made by a La. taxpayer.
- (2) The donation is used to help cover the cost of attending an in-state postsecondary education institution for a student who is eligible to receive a La. GO Grant pursuant to present law.

Proposed law establishes a program cap not to exceed \$5M in rebates granted by the Dept. of Revenue each calendar year and provides for the claim of rebates on a first-come, first-served basis. A taxpayer whose claim is disallowed due to the cap may claim the rebate in the next calendar year and have priority over other claims.

Proposed law requires the Dept. of Revenue to provide a standardized format for a receipt to be issued by LOSFA and requires a taxpayer to provide a copy of the receipt when claiming the rebate authorized by proposed law. Further authorizes the sec. of the Dept. of Revenue to promulgate rules to implement the provisions of proposed law.

(Adds R.S. 47:6361)

### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Prohibit more than 2% of each donation from being used on administrative costs.
2. Require that a donation made pursuant to proposed law be used to assist with costs of attending in-state postsecondary education institutions for students eligible to receive a La. GO Grant.
3. Authorize the secretary of the Dept. of Revenue to promulgate rules in accordance with the APA.

The House Floor Amendments to the engrossed bill:

1. Add an annual \$5M program cap and a provision that the claims of credits are on a first-come, first-served basis and allows taxpayer whose claims is disallowed due to the cap to claim the credit in the next calendar year and have priority over other claims.