

RÉSUMÉ DIGEST

ACT 13 (HB 20)

2020 Second Extraordinary Session

Edmonds

New law establishes an income tax deduction for amounts paid for educational coaching services for an in-person facilitator of virtual education delivered by a public or approved nonpublic elementary or secondary school that were paid by the taxpayer between March 13, 2020, and Dec. 31, 2020, as a result of the COVID-19 pandemic that occurred in 2020.

New law provides that the amount of the deduction shall be equal to the actual amount of educational coaching services paid by the taxpayer per eligible child or \$5,000, whichever is less. Prohibits the amount of the deduction from exceeding the total taxable income of the individual.

New law defines "approved nonpublic elementary or secondary school" as a nonpublic elementary or secondary school located in La. which complies with the criteria set forth in *Brumfield, et al. v. Dodd, et al.* and complies with Section 501(c)(3) of the Internal Revenue Code or any public elementary or secondary laboratory school which is operated by a public college or university.

New law defines "in-person facilitator of virtual education" as an individual providing in-person instruction or assistance to one or more elementary or secondary school students who is at least 18 years old at the time services are provided or, if not 18 years old at the time services are provided, who graduated from high school. The individual providing the in-person instruction or assistance shall not be the taxpayer or a member of the taxpayer's immediate family.

New law defines "eligible child" as a student who qualifies as a dependency exemption on the taxpayer's La. income tax return for either the taxable year or the prior taxable year.

New law prohibits expenses claimed by a taxpayer pursuant to new law from being eligible for the educational expense deductions or child care credit provided for in existing law.

New law is applicable to taxable periods beginning on and after Jan. 1, 2020, and on and before Dec. 31, 2020.

Effective upon signature of the governor (Oct. 28, 2020).

(Adds R.S. 47:293(9)(a)(xix) and 297.15)