
DIGEST

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Jefferson

HB No. 324

Abstract: Authorizes an income tax rebate equal to 75% of a taxpayer's donation to public schools which received a letter grade of "B", "C", "D", or "F".

Proposed law authorizes a rebate equal to 75% of donations a taxpayer makes during a taxable year to public schools which received a letter grade of "B", "C", "D", or "F" for the most recent year pursuant to the La. School and District Accountability System. In order to qualify for the rebate, the donation must be made by a taxpayer who files a state income tax return.

Proposed law requires that donations be used by the public school for purchasing instructional materials and supplies, for costs and expenses in establishing and maintaining tutorial programs, for costs and expenses in establishing and maintaining in-school childcare programs for student parents, school-based health clinics, or for meeting any of the requirements prescribed in current rules and regulations for academically unacceptable schools.

Proposed law requires Dept. of Revenue (DOR) to provide the format for a receipt that indicates the amount of the donation, the letter grade of the public school that received the donation, and includes certification from the public school that the donation will be used for one of the authorized purposes provided for in proposed law. Further requires the taxpayer to provide a copy of the receipt when claiming the rebate.

Proposed law requires the governing authority of a public school which received a donation to provide a public report prepared by a certified public accountant to the DOR no later than Jan. 1 of each year. Further requires the report to contain the name and address of the public school, the total number and total dollar amount of donations received during the previous calendar year, the total amount of contributions made by each contributor during the previous calendar year, and the social security number or La. taxpayer identification number of each contributor.

Proposed law requires DOR to prepare, as an addendum to each report, the amount and date of issuance of each rebate issued pursuant to proposed law. Provides that the release of such information shall not be a violation of the present law provisions relative to the confidentiality of tax records. Requires DOR to furnish an electronic format for this report to the Dept. of Education on or by the first day of Feb. of each year.

Proposed law limits the total amount of rebates issued pursuant to proposed law to \$10 million per calendar year; however, in any year that the amount of rebates awarded reaches 90% of the current year annual cap, the annual cap for the next year shall be increased by 20%. Requires

DOR to approve rebates, starting on Jan. 1 for income tax years ending prior to that date, on a first-come, first-served basis until the maximum amount of rebates has been issued.

Proposed law requires rebates to be paid from the current collections of the taxes imposed by present law.

Effective Jan. 1, 2014, and shall be applicable to donations made to a public school for the 2014-2015 school year and thereafter.

(Amends the heading of Ch. 3 of Title 47 of the Louisiana Revised Statutes of 1950; Adds R.S. 47:6302)