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## DIGEST

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HB 638 Reengrossed

2023 Regular Session

McFarland

**Abstract:** Provides relative to administration of a tax deduction for adoption of children from foster care and a tax credit for donations to foster care charitable organizations.

Present law authorizes and provides for a tax deduction for adoption of children from foster care. Authorizes the secretary of the Dept. of Revenue, referred to hereafter as the "department", to promulgate rules to implement present law, including rules related to submission of documentation when claiming the deduction.

Proposed law retains present law and stipulates that if the rules of the department require the submission of a deduction eligibility certification letter and the secretary determines that the process of obtaining that letter is an impediment to, or causes an undue burden for, claiming of the deduction, then the secretary may amend the rules to provide for an alternative process for eligibility certification. Provides that such process may include certification on a standardized form.

Present law authorizes and provides for a tax credit for donations to foster care charitable organizations. Proposed law makes the following changes to present law:

- (1) Provides that certification of eligibility for the tax deduction for adoption of children from foster care may be on a standardized form promulgated in rule by the secretary of the Dept. of Revenue.
- (2) Provides that receipts for donations to qualifying foster care charitable organizations shall conform with standards for written acknowledgment of certain charitable contributions required by the Internal Revenue Service.
- (3) Provides that any nonprofit foster care organization licensed by and in good standing with the Dept. of Children and Family Services shall be deemed a "qualifying foster care charitable organization" or "foster care organization" pursuant to present law.

Proposed law applies to taxable periods beginning on or after Jan. 1, 2023.

(Amends R.S. 47:297.20(C) and 6042(B)(intro. para.) and (1), (D), and (F)(4))

## Summary of Amendments Adopted by House

### The House Floor Amendments to the engrossed bill:

1. Add the name and federal employer identification number, or last four digits of the social security number, of the taxpayer making a donation to a foster care charitable organization into the enumerated list of items to be included on the receipt for such donations provided in proposed law.
2. Provide that proposed law applies to taxable periods beginning on or after Jan. 1, 2023.