

2017 Regular Session

HOUSE BILL NO. 434

BY REPRESENTATIVE SMITH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/TAX REBATES: Reduces the amount of the rebate for taxpayer donations to school tuition organizations which provide scholarships for certain students to attend qualified schools

1 AN ACT

2 To amend and reenact R.S. 47:6301(A)(1) and (2)(c); relative to rebates for donations to
3 school tuition organizations: to provide for the amount of the rebate for certain
4 donations; to reduce the amount of the rebate; to provide for applicability; to provide
5 for an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:6301(A)(1) and (2)(c) are hereby amended and reenacted to read
8 as follows:

9 §6301. Rebates; donations to school tuition organizations

10 A.(1) There shall be allowed a rebate for donations a taxpayer makes during
11 a taxable year to a school tuition organization which provides scholarships to
12 qualified students to attend a qualified school. Upon making his donation, the donor
13 shall indicate the duration of time which the school tuition organization may retain
14 and carryforward his donation. The time may be indicated as being in perpetuity or
15 for a stated period of time coinciding with a fiscal year of the state of Louisiana, the
16 minimum of which shall not be less than twelve months or one fiscal year, whichever
17 occurs later. In order to qualify for the rebate, the donation shall be made by a
18 taxpayer who files a Louisiana income tax return. The amount of the rebate shall be
19 equal to seventy percent of the actual amount of the taxpayer's donation used by a

Present law authorizes the rebate to be paid after the conclusion of the school year when *all* of the following requirements have been satisfied:

- (1) The STO certifies to the Dept. of Education (DOE) that the donation has funded a scholarship for a qualified student.
- (2) The DOE verifies that the student was not enrolled in a public school in La. on Oct. 1st or Feb. 1st of that school year pursuant to the definition of the student membership established by the State Board of Elementary and Secondary Education (BESE) for purposes of the Minimum Foundation Program (MFP) formula and DOE certifies the student count.
- (3) If the qualified student is enrolled in public school on Feb. 1st of that school year, the amount of the rebate shall be equal to the actual amount expended by the STO on scholarships, excluding administrative costs and shall be prorated as applicable.

Proposed law retains present law but reduces the amount of the rebate from the actual amount expended by the STO on scholarships to 70% of the actual amount expended on scholarships.

Effective July 1, 2017, and shall be applicable to donations made on or after July 1, 2017 to a STO which provides scholarships to qualified students to attend qualified schools.

(Amends R.S. 47:6301(A)(1) and (2)(c))