
DIGEST

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HB 484 Original

2025 Regular Session

Zeringue

Abstract: Adds disabled students to the list of qualified students eligible to participate in the school tuition organization tax credit program.

Present law authorizes an income tax credit for donations a taxpayer makes during a taxable year to a school tuition organization (STO) that provides scholarships to qualified students to attend a qualified school. In order to qualify for the credit, the donation shall be made by a taxpayer who is required to file a La. income tax return. The amount of the credit shall be equal to the actual amount of the taxpayer's donation used by an STO to fund a scholarship to a qualified student, which shall not include administrative costs.

Present law authorizes the credit to be used in addition to any federal tax credit or deduction earned for the same donation. However, a taxpayer shall not receive any other state tax benefit for which the taxpayer has received a tax credit pursuant to present law. Further provides that if the amount of the tax credit exceeds the total tax liability of the taxpayer in the taxable year, the amount of the credit not used as an offset against tax liability may be carried forward as a credit against subsequent income tax liabilities for a period not to exceed three taxable years.

Present law defines a "qualified student" as a child who is a member of a family that resides in La. with a total household income that does not exceed 250% of the federal poverty level base and who meets any of the following:

- (1) Is a student who is entering kindergarten for the first time.
- (2) Is a student who attended a public school the previous year.
- (3) Is a student who received a scholarship from a school tuition organization or the Student Scholarships for Educational Excellence Program for the previous school year.

Proposed law retains present law but adds students with disabilities to the list of qualified students and exempts disabled students from the household income limitation provided for in present law. Proposed law also adds scholarships from a state funded school choice program rather than the Student Scholarships for Excellence Program to the types of scholarships a qualified student can receive.

Present law prohibits a qualified student from receiving a scholarship from an STO and also receiving any other publicly funded scholarship, voucher, or other form of financial assistance

specific to that student for purposes of attending a nonpublic school.

Proposed law changes present law by *authorizing* rather than prohibiting a qualified student to receive a scholarship from an STO and to also receive any other publicly funded scholarship, voucher, or other form of financial assistance specific to that student for purposes of attending a nonpublic school.

Effective January 1, 2026, and applicable to donations made to an STO which provides scholarships to qualified students to attend a qualified school for the 2025-2026 school year and thereafter.

(Amends R.S. 47:6301(B)(3))