2025 Regular Session

ACT No. 423

ENROLLED

SENATE BILL NO. 123

BY SENATOR JACKSON-ANDREWS AND REPRESENTATIVES WILFORD CARTER, CHASSION, FISHER, FREIBERG, KNOX, LYONS, MOORE, TAYLOR AND WILEY

1   AN ACT

2   To enact R.S. 47:6302, relative to income tax credits for donations to public schools; to

3   authorize a credit for donations to certain public schools; to provide for an amount

4   of the credit; to provide for the use of donations by certain schools; to provide for a

5   receipt issued by certain public schools for the donation; to provide for the granting

6   of the credit; to provide for certain requirements and limitations; to provide an

7   annual credit cap for the program; to provide for applicability; to provide for an

8   effective date; and to provide for related matters.

9   Be it enacted by the Legislature of Louisiana:

10   Section 1. R.S. 47:6302 is hereby enacted to read as follows:

11   **§6302. Credit for donations to public schools**

12   **A.(1) There shall be an income tax credit for donations a taxpayer makes**

13   **during a taxable year to public schools that receive a letter grade of "D" or "F"**

14   **for the most recent year pursuant to the Louisiana School and District**

15   **Accountability System. The credit shall be earned for the taxable year of the**

16   **donation. In order to qualify for the credit, the donation shall be made by a**

17   **taxpayer who is required to file a Louisiana income tax return.**

18   **(2) The donation shall be used by the public school for the costs and**

19   **expenses of any of the following:**

20   **(a) Purchasing of instructional materials and supplies used in classrooms**

21   **or in tutorial programs to enhance student learning.**

22   **(b) Establishing and maintaining tutorial programs designed to enhance**

23   **student academic achievement.**

24   **(c) Establishing and maintaining in-school child care programs for**

25   **student parents.**

26   **(d) Establishing and maintaining school-based health clinics.**

27   **(e) Meeting any of the requirements prescribed for academically**

1   **unacceptable schools prescribed for in Chapter 16 of LAC 28:XI.**

2   **(3) The amount of the credit shall be as follows:**

3   **(a) If the donation is made to a public school that received a letter grade**

4   **of "D", "F", or any variation thereof for the most recent year, pursuant to the**

5   **Louisiana School and District Accountability System, the amount of the credit**

6   **shall be equal to ninety-five percent of the taxpayer's donation.**

7   **(b) No credit shall be issued for a donation to a public school that**

8   **received a letter grade of "A", "B", "C", or any variation thereof for the most**

9   **recent year, pursuant to the Louisiana School and District Accountability**

10   **System.**

11   **(4) The Department of Revenue shall provide a standardized format for**

12   **a receipt to be issued by the public school to the taxpayer. The receipt shall**

13   **indicate the amount of the donation to the public school and the letter grade the**

14   **public school received pursuant to the Louisiana School and District**

15   **Accountability System. The receipt shall also include a certification by the**

16   **public school that the donation will be used for one of the authorized purposes**

17   **provided for in Paragraph (2) of this Subsection.**

18   **(5) The governing authority of the public school that has received a**

19   **donation eligible for a credit pursuant to this Section shall provide a public**

20   **report to the Department of Revenue and the Department of Education that**

21   **shall be prepared by a certified public accountant and shall be submitted**

22   **electronically in a format approved by the Department of Revenue to the**

23   **departments no later than the last day of February of each year. The report**

24   **shall contain the name and address of the public school, the total number and**

25   **total dollar amount of donations received during the previous calendar year, the**

26   **total amount of donations made by each taxpayer during the previous calendar**

27   **year, and the name, address, and federal employer identification number or last**

28   **four digits of the social security number of each taxpayer who donated.**

29   **B.(1) The total amount of credits granted pursuant to the provisions of**

30   **this Section shall not exceed one million dollars per calendar year.**

1   **(2) The issuance of tax credits authorized by this Section shall be on a**

2   **first-come, first-serve basis. If the total amount of tax credits authorized in a**

3   **particular calendar year exceeds the amount of tax credits authorized for that**

4   **year, the Department of Revenue shall treat the excess as having been applied**

5   **for on the first day of the subsequent year.**

6   **(3) The Department of Revenue shall treat all requests received on the**

7   **same business day as received at the same time. If the aggregate amount of the**

8   **requests received on a single business day exceeds the total amount of available**

9   **tax credits, the department shall issue tax credits on a pro rata basis.**

10   **C. A taxpayer seeking a tax credit pursuant to the provisions of this**

11   **Section shall apply for the tax credit by electronically submitting an application**

12   **to the Department of Revenue on a form prescribed by the Department of**

13   **Revenue. The application period shall begin on January first and conclude on**

14   **the last day of February of the calendar year following the calendar year in**

15   **which the credit is earned. The taxpayer shall submit a copy of the receipt**

16   **issued to him by the public school. The taxpayer shall attach all required**

17   **documentation to the application.**

18   **D. No credits shall be earned pursuant to this Section for taxable periods**

19   **beginning on or after January 1, 2028.**

20   Section 2. The provisions of this Act shall apply to taxable periods beginning on or

21   after January 1, 2026.

22   Section 3. This Act shall become effective on January 1, 2026.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

Coding: Words which are ~~struck through~~ are deletions from existing law;
words in **boldface type and underscored** are additions.