

Regular Session, 2012

HOUSE BILL NO. 1106

BY REPRESENTATIVE KATRINA JACKSON

STATE GRANTS: Authorizes a rebate for donations to certain public schools

1 AN ACT

2 To enact Chapter 3 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to
3 be comprised of R.S. 47:6301, relative to rebates; to authorize a rebate for donations
4 to certain public schools; to provide for the amount and issuance of the rebate; to
5 provide for certain requirements and limitations; to provide for an effective date; and
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 3 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of
9 1950, comprised of R.S. 47:6301 is hereby enacted to read as follows:

10 CHAPTER 3. REBATES FOR DONATIONS TO PUBLIC SCHOOLS

11 §6301. Rebates; donations to public schools

12 A.(1) There shall be allowed a rebate for donations a taxpayer makes during
13 a taxable year to public schools which received a letter grade of "C", "D", or "F"
14 pursuant to the Louisiana School and District Accountability System. In order to
15 qualify for the rebate, the donation shall be made by a taxpayer who files a Louisiana
16 income tax return. The amount of the rebate shall be as follows:

17 (a) If a donation is made to a public school that received a letter grade of "F"
18 or any variation thereof, pursuant to the Louisiana School and District Accountability
19 System, the amount of the rebate shall be equal to seventy-five percent of the
20 taxpayer's donation.

1 (b) If a donation is made to a public school that received a letter grade of "D"
2 or any variation thereof, pursuant to the Louisiana School and District Accountability
3 System, the amount of the rebate shall be equal to fifty percent of the taxpayer's
4 donation.

5 (c) If a donation is made to a public school that received a letter grade of "C"
6 or any variation thereof, pursuant to the Louisiana School and District Accountability
7 System, the amount of the rebate shall be equal to twenty-five percent of the
8 taxpayer's donation.

9 (d) No rebate shall be issued for a donation to a public school that received
10 a letter grade of "A" or "B" or any variation thereof, pursuant to the Louisiana
11 School and District Accountability System.

12 (2) The Department of Revenue shall provide a standardized format for a
13 receipt to be issued by the public school to the taxpayer. The receipt shall indicate
14 the amount of the donation to the public school and the letter grade the public school
15 received pursuant to the Louisiana School and District Accountability System. The
16 Department of Revenue shall require a taxpayer to provide a copy of the receipt
17 when claiming the rebate authorized by this Section.

18 B. The total amount of rebates that shall be issued pursuant to the provisions
19 of this Section shall not exceed ten million dollars per calendar year; however, in any
20 year in which the amount of rebates awarded reaches ninety percent of the ten
21 million dollar annual cap, the annual cap for the next year shall be increased by
22 twenty percent.

23 C. The Department of Revenue shall approve rebates on a first-come, first-
24 served basis until the maximum amount of rebates has been issued; however, all
25 rebate requests received on the same business day shall be treated as received at the
26 same time, and if the aggregate amount of rebate requests received on a single
27 business day exceeds the total amount of available rebates, rebates shall be approved
28 on a pro rata basis.

1 D. Notwithstanding any provision of law to the contrary, the secretary of the
 2 Department of Revenue shall make the rebate authorized pursuant to the provisions
 3 of this Section from the current collections of the taxes imposed by Title 47 of the
 4 Louisiana Revised Statutes of 1950, as amended.
 5 Section 2. The provisions of this Act shall become effective on January 1, 2013, and
 6 shall be applicable to donations made to a public school for the 2013-2014 school year and
 7 thereafter.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Katrina Jackson

HB No. 1106

Abstract: Authorizes a rebate for donations a taxpayer makes to certain public schools.

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

Proposed law provides that the amount of the rebate shall be as follows:

- (1) If a donation is made to a public school that received a letter grade of "F", the rebate shall be equal to 75% of the donation.
- (2) If a donation is made to a public school that received a letter grade of "D", the rebate shall be equal to 50% of the donation.
- (3) If a donation is made to a public school that received a letter grade of "C", the rebate shall be equal to 25% of the donation.
- (4) No donation to a public school that received a letter grade of "A" or "B" shall be eligible for rebate.

Proposed law requires the Dept. of Revenue (DOR) to provide the format for a receipt that shall indicate the amount of the donation and the letter grade of the public school that received the donation. The taxpayer shall provide a copy of the receipt when claiming the rebate.

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 annual cap, the annual cap for the next year shall be increased by 20%. Requires the DOR to approve rebates 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, 2013, and shall be applicable to donations made to a public school for the 2013-2014 school year and thereafter.

(Adds R.S. 47:6301)