
DIGEST

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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)