

Regular Session, 2012

HOUSE BILL NO. 1106

BY REPRESENTATIVES KATRINA JACKSON AND PATRICK WILLIAMS

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 "B", "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.

17 (2) The donation shall be used by the public school for purchasing
18 instructional materials and supplies used in classrooms or in tutorial programs to
19 enhance student learning, for costs and expenses in establishing and maintaining
20 tutorial programs designed to enhance student academic achievement, for costs and

1 expenses in establishing and maintaining in-school child care programs for student
2 parents, or for meeting any of the requirements prescribed for academically
3 unacceptable schools prescribed for in Chapter 16 of LAC 28:LXXXIII.

4 (3) The amount of the rebate shall be as follows:

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

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

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

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

20 (4) The Department of Revenue shall provide a standardized format for a
21 receipt to be issued by the public school to the taxpayer. The receipt shall indicate
22 the amount of the donation to the public school and the letter grade the public school
23 received pursuant to the Louisiana School and District Accountability System. The
24 receipt shall also include certification by the public school that the donation will be
25 used for one of the authorized purposes provided for in Paragraph (2) of this
26 Subsection. The Department of Revenue shall require a taxpayer to provide a copy
27 of the receipt when claiming the rebate authorized by this Section.

28 B. The total amount of rebates that shall be issued pursuant to the provisions
29 of this Section shall not exceed ten million dollars per calendar year; however, in any

1 year in which the amount of rebates awarded reaches ninety percent of the ten
2 million dollar annual cap, the annual cap for the next year shall be increased by
3 twenty percent.

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

10 D. Notwithstanding any provision of law to the contrary, the secretary of the
11 Department of Revenue shall make the rebate authorized pursuant to the provisions
12 of this Section from the current collections of the taxes imposed by this Title as
13 amended.

14 Section 2. The provisions of this Act shall become effective on January 1, 2013, and
15 shall be applicable to donations made to a public school for the 2013-2014 school year and
16 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 "B", "C", "D", or "F" pursuant to the La. 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 requires that donations be used by the public school for purchasing instructional materials and supplies, for costs and expenses in establishing and maintaining tutorial programs, for costs and expenses in establishing and maintaining in-school child care programs for student parents, or for meeting any of the requirements prescribed in current rules and regulations for academically unacceptable schools.

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 "B" or "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" 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. Further requires the receipt to include certification from the public school that the donation will be used for one of the authorized purposes provided for in proposed law. 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 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)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Ways and Means to the original bill.

1. Added eligibility of donations to public schools which received a letter grade of "B" for rebate and authorizes the amount of the rebate for such donations to be equal to 25% of the donation.
2. Added purposes for which donations shall be used by the public school.
3. Added a requirement for the receipt issued by the public school to include certification by the school that donations will be used for one of the authorized purposes set forth in proposed law.