

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

March 3, 2011
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB11-1048 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 3, strike lines 20 through 22 and substitute
- 2 "TAXPAYER BY A PRIVATE SCHOOL CERTIFYING THAT A QUALIFIED CHILD
- 3 HAS COMPLETED THE FULL ACADEMIC YEAR IN THE PRIVATE SCHOOL AND
- 4 THAT THE TAXPAYER IS ENTITLED TO AN".

- 5 Page 3, line 27, strike "ENROLLED IN" and substitute "THAT HAS
- 6 ATTENDED".

- 7 Page 4, line 1, strike the second "SCHOOL" and substitute "FULL
- 8 ACADEMIC".

- 9 Page 4, strike lines 5 through 7 and substitute "QUALIFIED CHILD SO LONG
- 10 AS HE OR SHE FULLY COMPLETES EACH ACADEMIC YEAR IN A PRIVATE
- 11 SCHOOL IN THE STATE THROUGH THE TWELFTH GRADE."

- 12 Page 4, strike lines 16 through 27.

- 13 Strike page 5 and substitute:

- 14 "(2) (a) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
- 15 JANUARY 1, 2012, THERE SHALL BE ALLOWED A PRIVATE SCHOOL TUITION
- 16 INCOME TAX CREDIT AGAINST THE INCOME TAX IMPOSED IN THIS ARTICLE
- 17 IN AN AMOUNT AND MANNER AS SPECIFIED IN THIS SECTION. THE CREDIT
- 18 SHALL BE ALLOWED TO ANY TAXPAYER TO WHOM A CREDIT CERTIFICATE

1 HAS BEEN ISSUED AS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH
2 (a). THE CREDIT CERTIFICATE SHALL BE INCLUDED WITH THE RETURN
3 FILED FOR THE TAX YEAR.

4 (II) (A) FOR EACH ACADEMIC YEAR COMMENCING OR ON AFTER
5 JANUARY 1, 2012, A PRIVATE SCHOOL SHALL ISSUE A CREDIT CERTIFICATE
6 TO ANY TAXPAYER THAT ENROLLS A DEPENDENT QUALIFIED CHILD IN THE
7 PRIVATE SCHOOL OR THAT AWARDS A SCHOLARSHIP TO A QUALIFIED CHILD
8 FOR ENROLLMENT IN THE PRIVATE SCHOOL. ONLY ONE CREDIT
9 CERTIFICATE SHALL BE ISSUED FOR EACH QUALIFIED CHILD. A PRIVATE
10 SCHOOL SHALL ISSUE A CREDIT CERTIFICATE PURSUANT TO THIS SECTION
11 UPON APPLICATION FOR A CREDIT CERTIFICATE BY A TAXPAYER. IN THE
12 EVENT MORE THAN ONE TAXPAYER APPLIES FOR A CREDIT CERTIFICATE,
13 THE PRIVATE SCHOOL SHALL DETERMINE TO WHOM THE CREDIT
14 CERTIFICATE IS ISSUED ON THE BASIS OF THE GREATEST CONTRIBUTION
15 TOWARD A QUALIFIED CHILD'S ENROLLMENT AT THE PRIVATE SCHOOL. A
16 CREDIT CERTIFICATE SHALL ONLY BE ISSUED TO A TAXPAYER AFTER THE
17 QUALIFIED CHILD COMPLETES THE FULL ACADEMIC YEAR.

18 (B) A TAXPAYER THAT ENROLLS A DEPENDENT QUALIFIED CHILD
19 IN A PRIVATE SCHOOL OR THAT AWARDS A SCHOLARSHIP TO A QUALIFIED
20 CHILD FOR ENROLLMENT IN A PRIVATE SCHOOL DURING THE 2011-12
21 ACADEMIC YEAR, OR ANY ACADEMIC YEAR THEREAFTER, SHALL BE FIRST
22 ELIGIBLE FOR THE INCOME TAX CREDIT SPECIFIED IN THIS SECTION FOR THE
23 INCOME TAX YEAR THAT INCLUDES THE MOST RECENTLY COMPLETED
24 PUBLIC SCHOOL ACADEMIC YEAR. THE TAXPAYER SHALL BE ELIGIBLE FOR
25 THE INCOME TAX CREDIT FOR ANY INCOME TAX YEAR THEREAFTER
26 PROVIDED THE CHILD REMAINS QUALIFIED AS SPECIFIED IN SUBPARAGRAPH
27 (II) OF PARAGRAPH (d) OF SUBSECTION (1) OF THIS SECTION.

28 (b) (I) (A) FOR ANY QUALIFIED CHILD THAT COMPLETES A FULL
29 ACADEMIC YEAR IN A PRIVATE SCHOOL ON A FULL-TIME BASIS, THE
30 AMOUNT OF THE CREDIT AUTHORIZED IN THIS SECTION FOR A TAXPAYER
31 THAT ENROLLED A DEPENDENT QUALIFIED CHILD IN PRIVATE SCHOOL
32 SHALL EQUAL THE TOTAL OF FIFTY PERCENT OF THE PREVIOUS YEAR'S
33 STATE AVERAGE PER PUPIL REVENUE MINUS TWO HUNDRED FIFTY
34 DOLLARS. FOR ANY QUALIFIED CHILD THAT COMPLETES A FULL ACADEMIC
35 YEAR IN A PRIVATE SCHOOL ON A FULL-TIME BASIS, THE AMOUNT OF THE
36 CREDIT AUTHORIZED IN THIS SECTION FOR A TAXPAYER THAT AWARDED A
37 SCHOLARSHIP TO A QUALIFIED CHILD FOR ENROLLMENT IN A PRIVATE
38 SCHOOL SHALL EQUAL THE TOTAL OF THE SCHOLARSHIP AWARDED TO THE

1 QUALIFIED CHILD OR FIFTY PERCENT OF THE PREVIOUS YEAR'S STATE
2 AVERAGE PER PUPIL REVENUE, WHICHEVER IS LESS, MINUS TWO HUNDRED
3 FIFTY DOLLARS.

4 (B) FOR ANY QUALIFIED CHILD THAT COMPLETES A FULL
5 ACADEMIC YEAR IN A PRIVATE SCHOOL ON A HALF-TIME BASIS, THE
6 AMOUNT OF THE CREDIT AUTHORIZED IN THIS SECTION FOR A TAXPAYER
7 THAT ENROLLED A DEPENDENT QUALIFIED CHILD IN PRIVATE SCHOOL
8 SHALL EQUAL THE TOTAL OF TWENTY-FIVE PERCENT OF THE PREVIOUS
9 YEAR'S STATE AVERAGE PER PUPIL REVENUE MINUS TWO HUNDRED FIFTY
10 DOLLARS. FOR ANY QUALIFIED CHILD THAT COMPLETES A FULL ACADEMIC
11 YEAR IN A PRIVATE SCHOOL ON A HALF-TIME BASIS, THE AMOUNT OF THE
12 CREDIT AUTHORIZED IN THIS SECTION FOR A TAXPAYER THAT AWARDED A
13 SCHOLARSHIP TO A QUALIFIED CHILD FOR ENROLLMENT IN A PRIVATE
14 SCHOOL SHALL EQUAL THE TOTAL OF THE SCHOLARSHIP AWARDED TO THE
15 QUALIFIED CHILD OR TWENTY-FIVE PERCENT OF THE PREVIOUS YEAR'S
16 STATE AVERAGE PER PUPIL REVENUE, WHICHEVER IS LESS, MINUS TWO
17 HUNDRED FIFTY DOLLARS."

18 Page 6, strike lines 1 through 5.

19 Page 6, strike lines 10 through 12 and substitute:

20 "(3) (a) ANY PUBLIC SCHOOL DISTRICT THAT LOSES A QUALIFIED
21 CHILD FOR WHICH AN INCOME TAX CREDIT IS CLAIMED PURSUANT TO THIS
22 SECTION SHALL RECEIVE A FIVE HUNDRED DOLLAR GRANT PER QUALIFIED
23 CHILD FOR EVERY ACADEMIC YEAR THE QUALIFIED CHILD REMAINS
24 ENROLLED IN PRIVATE SCHOOL THROUGH TWELFTH GRADE.

25 (b) THE DEPARTMENT SHALL NOTIFY THE JOINT BUDGET
26 COMMITTEE ON MAY 1, 2013, AND EACH MAY 1 THEREAFTER, OF THE
27 NUMBER OF TAXPAYERS THAT SUBMITTED CREDIT CERTIFICATES TO CLAIM
28 THE CREDIT SPECIFIED IN THIS SECTION FOR THE PREVIOUS INCOME TAX
29 YEAR. ON MAY 5, 2013, AND EACH MAY 5 THEREAFTER, THE GENERAL
30 ASSEMBLY SHALL THEN APPROPRIATE FIVE HUNDRED DOLLARS FROM THE
31 GENERAL FUND FOR EACH TAXPAYER THAT CLAIMED THE CREDIT TO THE
32 DEPARTMENT OF EDUCATION FOR DISTRIBUTION TO SCHOOL DISTRICTS AS
33 SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (3)."

34 Renumber succeeding subsections accordingly.

1 Page 8, line 10, strike "ENROLLED" and substitute "WHO COMPLETED A
2 FULL ACADEMIC YEAR".

3 Page 8, line 11, strike "SCHOOL YEAR" and substitute "ACADEMIC YEAR
4 EITHER ON A FULL-TIME OR HALF-TIME BASIS".

5 Page 8, strike lines 22 through 24 and substitute "QUALIFIED CHILD WHO
6 COMPLETED A FULL ACADEMIC YEAR IN A PUBLIC SCHOOL IN THE STATE ON
7 A FULL-TIME BASIS PRIOR TO BEING HOME-SCHOOLED."

8 Page 9, strike lines 2 and 3 and substitute "WHO COMPLETED A FULL
9 ACADEMIC YEAR IN A PUBLIC SCHOOL IN THE STATE ON A HALF-TIME BASIS
10 PRIOR TO".

11 Page 9, strike lines 5 through 12 and substitute:

12 "(b) A TAXPAYER WHO HOME-SCHOOLS A QUALIFIED CHILD DURING
13 THE 2011-12 ACADEMIC YEAR, OR ANY ACADEMIC YEAR THEREAFTER,
14 SHALL BE FIRST ELIGIBLE FOR THE INCOME TAX CREDIT SPECIFIED IN THIS
15 SECTION FOR THE INCOME TAX YEAR THAT INCLUDES THE MOST RECENTLY
16 COMPLETED PUBLIC SCHOOL ACADEMIC YEAR. THE TAXPAYER SHALL BE
17 ELIGIBLE FOR THE INCOME TAX CREDIT FOR ANY INCOME TAX YEAR
18 THEREAFTER PROVIDED THE CHILD REMAINS QUALIFIED AS SPECIFIED IN
19 SUBPARAGRAPH (II) OF PARAGRAPH (c) OF SUBSECTION (1) OF THIS
20 SECTION."

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