

SENATE BILL No. 199

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-11.

Synopsis: Tax credits for contributions to schools. Provides an adjusted gross income tax credit for 50% of charitable donations to public or private elementary schools or high schools located in Indiana for taxable years beginning after December 31, 1997. Provides that the credit may not exceed \$100 in the case of an individual filing a single return or \$200 in the case of individuals filing a joint return. Provides that in the case of a corporation the credit may not exceed the lesser of 10% of the corporation's adjusted gross income tax or \$1,000.

Effective: January 1, 1998 (retroactive).

Zakas

January 6, 1998, read first time and referred to Committee on Finance.



Introduced

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

SENATE BILL No. 199

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-3-3-11 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 1998 (RETROACTIVE)]: **Sec. 11. (a) As used in this**
4 **section, "public or private elementary school or high school"**
5 **means any combination of grades from kindergarten through**
6 **grade 12 offered by the following:**
7 (1) A school corporation subject to IC 20.
8 (2) A special education cooperative (as defined in
9 IC 20-1-6-20).
10 (3) A nonpublic school.
11 (b) At the election of the taxpayer, a credit is allowed against
12 the adjusted gross income tax imposed by IC 6-3-1 through
13 IC 6-3-7 for the taxable year. Subject to the applicable limitations
14 provided by this section, the amount allowed is equal to fifty
15 percent (50%) of the aggregate amount of charitable contributions
16 made by the taxpayer during a taxable year to a:
17 (1) public or private elementary school or high school located

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- 1 **in Indiana; or**
 2 **(2) corporation or foundation organized and operated solely**
 3 **for the benefit of a public or private elementary school or**
 4 **high school located in Indiana.**
 5 **(c) The amount allowable as a credit under this section for any**
 6 **taxable year may not exceed:**
 7 **(1) one hundred dollars (\$100), in the case of a taxpayer**
 8 **other than a corporation filing a single return;**
 9 **(2) two hundred dollars (\$200), in the case of a taxpayer**
 10 **other than a corporation filing a joint return; or**
 11 **(3) in the case of a corporation:**
 12 **(A) ten percent (10%) of the corporation's total adjusted**
 13 **gross income tax under IC 6-3-1 through IC 6-3-7 for**
 14 **the year (as determined without regard to any credits**
 15 **against that tax); or**
 16 **(B) one thousand dollars (\$1,000);**
 17 **whichever is less.**
 18 **(d) The credit allowed by this section may not exceed the**
 19 **amount of the adjusted gross income tax imposed by IC 6-3-1**
 20 **through IC 6-3-7 for the taxable year, reduced by the sum of all**
 21 **credits (as determined without regard to this section) allowed by**
 22 **IC 6-3-1 through IC 6-3-7.**
 23 **(e) A taxpayer subject to an income tax under the provisions**
 24 **of IC 6-2.1, as well as under the provisions of IC 6-3-1 through**
 25 **IC 6-3-7, may elect to claim the credit allowed by this section**
 26 **against the income tax imposed by IC 6-2.1. A credit may not be**
 27 **claimed against both taxes.**
 28 **SECTION 2. [EFFECTIVE JANUARY 1, 1998**
 29 **(RETROACTIVE)] IC 6-3-3-11, as added by this act, applies only to**
 30 **taxable years beginning after December 31, 1997.**
 31 **SECTION 3. An emergency is declared for this act.**

