

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1003 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-3.1-30.3 IS ADDED TO THE INDIANA CODE
- 4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 5 JANUARY 1, 2011 (RETROACTIVE)]:
- 6 **Chapter 30.3. Tax Credit for Contribution to Public School**
- 7 **Foundation**
- 8 **Sec. 1. As used in this chapter, "credit" refers to a credit**
- 9 **granted under this chapter.**
- 10 **Sec. 2. As used in this chapter, "pass through entity" has the**
- 11 **meaning set forth in IC 6-3-1-35.**
- 12 **Sec. 3. As used in this chapter, "public school foundation" refers**
- 13 **to a public school foundation described in IC 20-26-5-22.5.**
- 14 **Sec. 4. As used in this chapter, "state tax liability" means a**
- 15 **taxpayer's total tax liability that is incurred under:**
- 16 **(1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);**
- 17 **(2) IC 6-5.5 (the financial institutions tax); or**
- 18 **(3) IC 27-1-18-2 (the insurance premiums tax);**
- 19 **as computed after the application of the credits that under**
- 20 **IC 6-3.1-1-2 are to be applied before the credit provided by this**
- 21 **chapter.**
- 22 **Sec. 5. As used in this chapter, "taxpayer" means an individual**
- 23 **or entity that has any state tax liability.**
- 24 **Sec. 6. A taxpayer that makes a contribution to a public school**

1 foundation in a taxable year beginning after December 31, 2010,
2 for use by the public school foundation for the purposes of
3 providing educational funds to a school corporation for purposes
4 described in IC 20-26-5-22.5, including teacher education, capital
5 programs, and special programs, is entitled to a credit against the
6 taxpayer's state tax liability in the taxable year in which the
7 taxpayer makes the contribution.

8 Sec. 7. The amount of a taxpayer's credit is equal to the
9 following percentage of the amount of the contribution made to the
10 public school foundation for the purposes of the public school
11 foundation:

12 (1) Fifty percent (50%) for a taxpayer's taxable year
13 beginning in 2011.

14 (2) Sixty percent (60%) for a taxpayer's taxable year
15 beginning in 2012.

16 (3) Seventy percent (70%) for a taxpayer's taxable year
17 beginning in 2013.

18 (4) Eighty percent (80%) for a taxpayer's taxable year
19 beginning in 2014 or a subsequent year.

20 Sec. 8. A taxpayer is not entitled to a carryover, carryback, or
21 refund of an unused credit.

22 Sec. 9. If a pass through entity is entitled to a credit under
23 section 7 of this chapter but does not have state tax liability against
24 which the tax credit may be applied, a shareholder, partner, or
25 member of the pass through entity is entitled to a tax credit equal
26 to:

27 (1) the tax credit determined for the pass through entity for
28 the taxable year; multiplied by

29 (2) the percentage of the pass through entity's distributive
30 income to which the shareholder, partner, or member is
31 entitled.

32 Sec. 10. To apply a credit against the taxpayer's state tax
33 liability, a taxpayer must claim the credit on the taxpayer's annual
34 state tax return or returns in the manner prescribed by the
35 department. The taxpayer shall submit to the department the
36 information that the department determines is necessary for the
37 department to determine whether the taxpayer is eligible for the
38 credit.

39 Sec. 11. The total amount of tax credits awarded under this
40 chapter may not exceed two million five hundred thousand dollars
41 (\$2,500,000) in a state fiscal year that begins after June 30, 2010,
42 and ends before July 1, 2012. The total amount of tax credits that
43 may be awarded under this chapter in a state fiscal year beginning
44 after June 30, 2012:

45 (1) increases by an additional ten million dollars (\$10,000,000)
46 in each state fiscal year that the total amount of tax credits
47 awarded in the immediately preceding state fiscal year

1 equaled at least ninety percent (90%) of the maximum
 2 amount permitted to be awarded under this section in the
 3 immediately preceding state fiscal year; and
 4 (2) is equal to the maximum permissible amount of tax credits
 5 that were permitted to be awarded under this section in the
 6 immediately preceding state fiscal year, if subdivision (1) does
 7 not apply.

8 **Sec. 12. The department, on an Internet web site used by the**
 9 **department to provide information to the public, shall provide the**
 10 **following information:**

- 11 (1) The application for the credit provided in this chapter.
- 12 (2) A timeline for receiving the credit provided in this chapter.
- 13 (3) The total amount of credits awarded under this chapter
- 14 during the current state fiscal year.

15 **Sec. 13. The department shall adopt rules under IC 4-22-2 to**
 16 **implement this chapter."**

17 Page 8, after line 8, begin a new paragraph and insert:
 18 "SECTION 11. **An emergency is declared for this act.**"
 19 Re-number all SECTIONS consecutively.
 (Reference is to HB 1003 as printed February 18, 2011.)

Representative Behning