
HOUSE BILL No. 1147

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-34.

Synopsis: Employer tax credit for report card conferences. Provides a tax credit against state tax liability to an employer that allows an employee to attend a parent teacher conference for the purpose of discussing a report card of the employee's child when the employee is otherwise scheduled to be on duty. Provides that the amount of the tax credit is \$50 for each parent teacher conference attended by an employee during the taxable year, limited to three parent teacher conferences per employee per taxable year.

Effective: July 1, 2011.

Smith V

January 6, 2011, read first time and referred to Committee on Education.

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First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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HOUSE BILL No. 1147



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 6-3.1-34 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2011]:

4 **Chapter 34. Employer Tax Credit for Report Card Conferences**
5 **Sec. 1. This chapter applies only to taxable years beginning after**
6 **December 31, 2011.**

7 **Sec. 2. As used in this chapter, "child" means a child enrolled in**
8 **kindergarten or any grade from 1 through 12.**

9 **Sec. 3. As used in this chapter, "employer" means an entity that**
10 **has employees, including:**

- 11 (1) **an individual acting as a sole proprietor;**
- 12 (2) **a pass through entity; and**
- 13 (3) **a corporation.**

14 **Sec. 4. As used in this chapter, "parent" includes any individual**
15 **who has legal custody of a child or otherwise has a legal**
16 **responsibility to support a child.**

17 **Sec. 5. As used in this chapter, "pass through entity" means:**



- 1 (1) a corporation that is exempt from the adjusted gross
- 2 income tax under IC 6-3-2-2.8(2);
- 3 (2) a partnership;
- 4 (3) a limited liability company; or
- 5 (4) a limited liability partnership.

6 Sec. 6. As used in this chapter, "state tax liability" means a
 7 taxpayer's total tax liability that is incurred under:

- 8 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- 9 (2) IC 6-5.5 (the financial institutions tax); and
- 10 (3) IC 27-1-18-2 (the insurance premiums tax);

11 as computed after the application of the credits that under
 12 IC 6-3.1-1-2 are to be applied before the credit provided by this
 13 chapter.

14 Sec. 7. As used in this chapter, "taxpayer" means a person,
 15 corporation, partnership, or other entity that has any state tax
 16 liability.

17 Sec. 8. (a) Each taxable year, subject to subsection (b), an
 18 employer who allows an employee to attend a parent teacher
 19 conference for the purpose of discussing a report card of the
 20 employee's child when the employee is otherwise scheduled to be
 21 on duty is entitled to a credit against the employer's state tax
 22 liability in the amount of fifty dollars (\$50) for each parent teacher
 23 conference the employee attends during the taxable year.

24 (b) An employer may not claim the credit provided by
 25 subsection (a) for more than three (3) parent teacher conferences
 26 per employee during a taxable year.

27 Sec. 9. An employer who claims the credit provided by this
 28 chapter shall keep records on each parent teacher conference
 29 attended by an employee that show:

- 30 (1) the name of the employee;
- 31 (2) the date and time of the parent teacher conference;
- 32 (3) the name of the employee's child; and
- 33 (4) any other reasonable information required by the
 34 department.

35 Sec. 10. (a) If a pass through entity does not have state tax
 36 liability for a taxable year but is otherwise entitled to the tax credit
 37 provided by this chapter, each shareholder, partner, or member of
 38 the pass through entity is entitled to a share of the tax credit equal
 39 to:

- 40 (1) the amount of the tax credit determined for the pass
 41 through entity for the taxable year; multiplied by
- 42 (2) the percentage of the pass through entity's distributive

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1 income to which the shareholder, partner, or member is
 2 entitled.
 3 (b) A share of a tax credit allocated under subsection (a) is in
 4 addition to a tax credit to which a shareholder, partner, or member
 5 of a pass through entity is otherwise entitled under this chapter.
 6 Sec. 11. (a) If the credit provided by this chapter exceeds a
 7 taxpayer's state tax liability for the taxable year for which the
 8 credit is first claimed, the excess may be carried forward to
 9 succeeding taxable years and used as a credit against the
 10 taxpayer's state tax liability during those taxable years. Each time
 11 the credit is carried forward to a succeeding taxable year, the
 12 credit is to be reduced by the amount that was used as a credit
 13 during the immediately preceding taxable year. The credit
 14 provided by this chapter may be carried forward and applied to
 15 succeeding taxable years for not more than five (5) taxable years
 16 following the first year for which the credit is claimed.
 17 (b) A taxpayer is not entitled to a carryback or refund of any
 18 unused credit under this chapter.
 19 Sec. 12. To receive the tax credit under this chapter, a taxpayer
 20 must claim the credit on the taxpayer's annual state tax return or
 21 returns in the manner prescribed by the department.

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