



Kansas Department of Commerce HB 2209

**Prepared for the House Taxation Committee
Room 582-N, The Statehouse
Feb. 23, 2015**

The Kansas Department of Commerce supports HB 2209, which will allow individuals to donate to the Individual Development Account (IDA) program and claim tax credits associated with IDA. The change will not require any additional funding, but will allow for more efficient delivery of resources that have already been allocated.

IDA tax credits are used to leverage donations that will serve as a match for individual savings in a development account. Savings accrued in IDAs will be used for home ownership, residence repairs, business capitalization and post-secondary education. By helping low-income Kansans build assets through a matched-savings system, the program promotes self-sufficiency.

Currently up to \$500,000 in tax credits can be allocated to selected community-based organizations. HB 2209 will not increase that amount, but the technical change allowing individuals to donate will ensure that the good outcomes of the IDA program continue.

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