HOUSE BILL No. 2457

By Committee on Federal and State Affairs

1-13

Proposed Amendments
HB No. 2457
"Amendment Package"
February 8, 2016
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Office of Revisor of Statutes

AN ACT concerning schools; relating to the tax credit for low income students scholarship program act; amending K.S.A. 2015 Supp. 72-99a02, 72-99a03, 72-99a04 and 72-99a07 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2015 Supp. 72-99a02 is hereby amended to read as follows: 72-99a02. As used in the tax credit for low income students scholarship program act:

(a) "Contributions" means monetary gifts or donations and in-kind contributions, gifts or donations that have an established market value.

(b) "Department" means the Kansas department of revenue.

(c) "Educational scholarship" means an amount not to exceed $8,000 per school year provided to an eligible student, or to a qualified school with respect to an eligible student, to cover all or a portion of the costs of education including tuition, fees and expenses ~~of~~ *for an eligible student to attend* a qualified school and, if applicable, ~~the costs of transportation~~ *the cost to transport such student* to a qualified school if provided by such qualified school.

(d) "Eligible student" means a child ~~who~~:

(1) (A) ~~Qualifies as an at-risk pupil as defined in K.S.A. 72-6407, prior to its repeal, and who is attending a public school~~ *Whose family household income does not exceed* ~~250%~~ 185% *of the federal poverty level established under the most recent poverty income guidelines published in the calendar year by the United States department of health and human services*; or (B) has been eligible to receive an educational scholarship under this program and has not graduated from high school or reached 21 years of age; *and*

(2) *who* resides in Kansas while eligible for an educational scholarship~~; and~~

~~(3) (A) was enrolled in any public school in the previous school year in which an educational scholarship is first sought for the child; or (B) is eligible to be enrolled in any public school in the school year in which an educational scholarship is first sought for the child and the child is under the age of six years.~~

(e) "Parent" includes a guardian, custodian or other person with

90%

~~70%~~ ~~*100%*~~ of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 2015 Supp. 72-99a01 et seq., and amendments thereto.

(b) The credit shall be claimed and deducted from the taxpayer's tax liability during the tax year in which the contribution was made to any such scholarship granting organization.

(c) No credit shall be allowed to any taxpayer who designates such taxpayer's contribution to a scholarship granting organization, or any portion thereof, for the direct benefit of any dependent of such taxpayer, or who designates a student beneficiary as a condition of the contribution to a scholarship granting organization. No credit shall be allowed to any taxpayer who, with the intent to benefit a dependent of the taxpayer, agrees with one or more other taxpayers to designate each taxpayer's contribution to a scholarship granting organization, or any portion thereof, for the direct benefit of any dependent of such taxpayer.

~~(c)~~*(d)* ~~For each tax year, in no event shall the total amount of credits allowed under this section exceed $10,000,000~~ ~~*$12,500,000*~~ ~~for any one tax year. Except as otherwise provided, the allocation of such tax credits for each scholarship granting organization shall be determined by the secretary, and such determination shall be completed prior to the issuance of any tax credits pursuant to this section.~~

For tax years 2014 and 2015, the total amount of credits allowed under this section is $10,000,000. Beginning in tax year 2016, in any tax year when the total amount of credits awarded is equal to or greater than 95% of the total amount of credits allowed, the total amount of credits allowed under this section for the next succeeding tax year shall increase by 25%. The state department of education and department of revenue shall publish information on their websites identifying the total amount of credits allowed under this section.

~~(d)~~*(e)* If the amount of any such tax credit claimed by a taxpayer exceeds the taxpayer's income, privilege or premium tax liability, such excess amount may be carried over for deduction from the taxpayer's income, privilege or premium tax liability in the next succeeding year or years until the total amount of the credit has been deducted from tax liability.

~~(e)~~*(f)* The secretary shall adopt rules and regulations regarding filing of documents that support the amount of credit claimed pursuant to this section.

Sec. 5. K.S.A. 2015 Supp. 72-99a02, 72-99a03, 72-99a04 and 72-99a07 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.