

HB 1139 -- Adoption Tax Credits

Sponsor: Viebrock

Currently, there is a \$2 million aggregate cap on the special needs child adoption tax credit. This bill removes that cap.

The bill also creates a tax credit for the adoption of domestic special needs children, to be known as Rachael's Law. Beginning January 1, 2005, individuals who proceed in good faith with the adoption of a domestic special needs child are eligible for a tax credit of up to \$10,000 for nonrecurring adoption expenses. Businesses providing funds to an employee to assist with the adoption of a domestic special needs child are eligible for a tax credit of up to \$5,000 for nonrecurring adoption expenses.

The provisions of the section creating the domestic special needs child adoption tax credit will expire six years from the effective date.