

HB 1087 -- Income Tax Credit for Disability Home Modifications

Sponsor: Portwood

Beginning January 1, 2008, this bill authorizes an income tax credit for 100% of the eligible costs of modification, up to \$2,500, for a taxpayer earning \$30,000 per year or less who modifies their home to be accessible to a disabled person who resides with them. For taxpayers with annual incomes greater than \$30,000 but less than \$60,000, a credit will be allowed for 50% of the eligible costs of modification, up to \$2,500. If any portion of the modification was claimed as a deduction on the taxpayer's federal income tax, the tax credit will be reduced by one-third. The tax credits will be refundable but not transferrable. The credit is capped at \$100,000 per year unless \$10 million in tax credits are approved for programs authorized under the Rebuilding Communities Tax Credit Program, then the cap will be \$200,000.

The provisions of the bill expire December 31, 2013.