

HB 1554 -- Income Tax Credit for Special Needs Education Support Organizations

Sponsor: Hughes

Beginning January 1, 2009, this bill authorizes an income tax credit equal to 50% of the amount of a contribution to a nonprofit special needs education support organization. The contribution must be at least \$100, and the maximum amount of the tax credit will be \$50,000 per taxpayer annually. The cumulative amount of tax credits cannot exceed \$2 million. The Director of the Department of Elementary and Secondary Education will determine which organizations may be classified as eligible organizations for this credit. The tax credit may be taken against individual and corporate income tax, corporate franchise tax, financial institution tax, and express company tax liability. The tax credit is not refundable, but can be carried forward and claimed for up to four taxable years.

The provisions of the bill will expire December 31 six years from the effective date.