

HB 2891 -- TAX CREDITS FOR HOMELESS SHELTERS

SPONSOR: Collins

For all tax years beginning on or after January 1, 2024, an eligible taxpayer may claim a tax credit in an amount not to exceed \$10,000 for each tax year in which the eligible taxpayer is certified as a local homeless shelter.

The Department of Economic Development shall:

- (1) Create and publish guidelines for determining which facilities may be classified as local homeless shelters;
- (2) Create an application for taxpayers to apply to be certified as a local homeless shelter; such taxpayer must demonstrate, at a minimum, that it meets the definition of "local homeless shelter", as defined in the bill; any certification granted will be valid for 12 months, and may be reauthorized for subsequent years; and
- (3) Design and publish an application for taxpayers to receive the tax credit; such application will require a taxpayer to provide proof that it has been certified or re-certified within one calendar year of the date that the application is received by DED on a first-come, first-served basis; DED will issue certificates of eligibility to those taxpayers who submit applications that have been approved.

The tax credits will not be refundable or transferable, but may be carried forward for three subsequent tax years. The cumulative amount of tax credits can not exceed \$1 million per fiscal year. If the amount does exceed \$1 million in a fiscal year, the tax credits will be allowed based on the order in which they are claimed.

This program sunsets 12 years after the effective date.

This bill is similar to SB 794 (2024).