

HB 2882 -- TAX CREDITS FOR DONATIONS TO NON-PROFITS FOR VETERANS

SPONSOR: Reuter

This bill establishes a tax credit for contributions to qualifying organizations that provide mental health services to veterans with mental health disorders.

Beginning January 1, 2027, a qualifying taxpayer may claim a tax credit against the taxpayer's state income tax liability in an amount equal to 70% of his or her total contributions to qualified organizations. However, an individual taxpayer will not be allowed to claim a tax credit in excess of \$50,000 per tax year.

This tax credit will not be refundable, assigned, transferred, sold, or conveyed. However, the tax credit may be carried forward one succeeding tax year if it could not be claimed for the tax year the contribution was made.

Except in the case of carrying excess credit forward one succeeding year, a taxpayer will not be allowed to claim a tax credit unless the total amount of his or her contribution or contributions was at least \$100.

The Director of the Department of Mental Health must:

- (1) Determine and classify an organization that qualifies for this tax credit; and
- (2) Establish a procedure to be used by taxpayers to determine qualified organizations.

Qualified organizations that receive a contribution from a taxpayer must:

- (1) Issue a statement evidencing the receipt of the contribution to the taxpayer; and
- (2) Provide information to the Department of Revenue concerning the identity of the contributing taxpayer.

This tax credit sunsets six years after its effective date.