

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 630

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO INCOME TAX CREDITS FOR CHARITABLE CONTRIBUTIONS; PROVIDING
2 LEGISLATIVE INTENT; AMENDING SECTION 63-3029A, IDAHO CODE, TO INCREASE
3 THE MAXIMUM AMOUNT OF THE INCOME TAX CREDIT THAT INDIVIDUAL AND
4 CORPORATE TAXPAYERS MAY RECEIVE, TO EXPAND THE NUMBER OF ENTITIES THAT
5 MAY RECEIVE DONATIONS TO QUALIFY FOR THE INCOME TAX CREDIT AND TO DEFINE
6 "CONTRIBUTION"; REPEALING SECTION 63-3029A, IDAHO CODE, RELATING TO AN
7 INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS; AMENDING CHAPTER 30,
8 TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-3029A, IDAHO
9 CODE, TO PROVIDE AN INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS; AND
10 PROVIDING EFFECTIVE DATES.
11

12 Be It Enacted by the Legislature of the State of Idaho:

13 SECTION 1. LEGISLATIVE INTENT. It is the intent of the Legislature that
14 trustee and benefit payments for the fiscal year July 1, 2010, through June
15 30, 2011, and for fiscal years thereafter for the Council for the Deaf and
16 Hard of Hearing, the Developmental Disabilities Council, the Commission for
17 the Blind and Visually Impaired, the Commission on Hispanic Affairs, and the
18 State Independent Living Council be increased by contributions received by
19 those entities pursuant to Section 2 of this act.

20 SECTION 2. That Section 63-3029A, Idaho Code, be, and the same is hereby
21 amended to read as follows:

22 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS --
23 LIMITATION. At the election of the taxpayer, there shall be allowed,
24 subject to the applicable limitations provided herein, as a credit against
25 the income tax imposed by chapter 30, title 63, Idaho Code, an amount equal
26 to fifty percent (50%) of the aggregate amount of charitable contributions
27 made by such taxpayer during the year to a nonprofit corporation, fund,
28 foundation, trust, or association organized and operated exclusively for
29 the benefit of institutions of higher learning located within the state of
30 Idaho, including a university related research park, to nonprofit private or
31 public institutions of elementary, secondary, or higher education or their
32 foundations located within the state of Idaho, to Idaho education public
33 broadcast system foundations within the state of Idaho, to the Idaho state
34 historical society or its foundation, to the council for the deaf and hard of
35 hearing, to the developmental disabilities council, to the commission for
36 the blind and visually impaired, to the commission on hispanic affairs, to
37 the state independent living council, to the Idaho commission for libraries
38 and to public libraries or their foundations and library districts or their
39 foundations located within the state of Idaho, and to nonprofit public or
40 private museums or their foundations located within the state of Idaho.

1 (1) In the case of a taxpayer other than a corporation, the amount
 2 allowable as a credit under this section for any taxable year shall not
 3 exceed ~~twenty~~ fifty percent (~~25~~50%) of such taxpayer's total income tax
 4 liability imposed by section 63-3024, Idaho Code, for the year, or ~~one~~ five
 5 hundred dollars (~~\$1500~~), whichever is less.

6 (2) In the case of a corporation, the amount allowable as a credit under
 7 this section for any taxable year shall not exceed ten percent (10%) of such
 8 corporation's total income or franchise tax liability imposed by sections
 9 63-3025 and 63-3025A, Idaho Code, for the year, or ~~one~~ five thousand dollars
 10 (~~\$15,000~~), whichever is less.

11 For the purposes of this section, "contribution" means monetary
 12 donations reduced by the value of any benefit received in return such as
 13 food, entertainment or merchandise.

14 For the purposes of this section, "institution of higher learning"
 15 means only an educational institution located within this state meeting all
 16 of the following requirements:

17 (a) It maintains a regular faculty and curriculum and has a regularly
 18 enrolled body of students in attendance at the place where its
 19 educational activities are carried on.

20 (b) It regularly offers education above the twelfth grade.

21 (c) It is accredited by the northwest association of schools and
 22 colleges, or by the state board of education.

23 For the purposes of this section, a nonprofit institution of secondary
 24 or higher education means a private nonprofit secondary or higher
 25 educational institution located within the state of Idaho, which is
 26 accredited by the northwest association of schools and colleges, or by the
 27 state board of education. A nonprofit private institution of elementary
 28 education means a private nonprofit elementary educational institution
 29 located within the state of Idaho and approved by the state board of
 30 education.

31 SECTION 3. That Section 63-3029A, Idaho Code, be, and the same is hereby
 32 repealed.

33 SECTION 4. That Chapter 30, Title 63, Idaho Code, be, and the same is
 34 hereby amended by the addition thereto of a NEW SECTION, to be known and
 35 designated as Section 63-3029A, Idaho Code, and to read as follows:

36 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS --
 37 LIMITATION. At the election of the taxpayer, there shall be allowed,
 38 subject to the applicable limitations provided herein, as a credit against
 39 the income tax imposed by chapter 30, title 63, Idaho Code, an amount equal
 40 to fifty percent (50%) of the aggregate amount of charitable contributions
 41 made by such taxpayer during the year to a nonprofit corporation, fund,
 42 foundation, trust, or association organized and operated exclusively for
 43 the benefit of institutions of higher learning located within the state of
 44 Idaho, including a university related research park, to nonprofit private or
 45 public institutions of elementary, secondary, or higher education or their
 46 foundations located within the state of Idaho, to Idaho education public
 47 broadcast system foundations within the state of Idaho, to the Idaho state
 48 historical society or its foundation, to the Idaho commission for libraries

1 and to public libraries or their foundations and library districts or their
2 foundations located within the state of Idaho, and to nonprofit public or
3 private museums or their foundations located within the state of Idaho.

4 (1) In the case of a taxpayer other than a corporation, the amount
5 allowable as a credit under the provisions of this section for any taxable
6 year shall not exceed twenty percent (20%) of such taxpayer's total income
7 tax liability imposed by section 63-3024, Idaho Code, for the year, or one
8 hundred dollars (\$100), whichever is less.

9 (2) In the case of a corporation, the amount allowable as a credit under
10 the provisions of this section for any taxable year shall not exceed ten
11 percent (10%) of such corporation's total income or franchise tax liability
12 imposed by sections 63-3025 and 63-3025A, Idaho Code, for the year, or one
13 thousand dollars (\$1,000), whichever is less.

14 For the purposes of this section, "contribution" means monetary
15 donations reduced by the value of any benefit received in return such as
16 food, entertainment or merchandise.

17 For the purposes of this section, "institution of higher learning"
18 means only an educational institution located within this state meeting all
19 of the following requirements:

20 (a) It maintains a regular faculty and curriculum and has a regularly
21 enrolled body of students in attendance at the place where its
22 educational activities are carried on.

23 (b) It regularly offers education above the twelfth grade.

24 (c) It is accredited by the northwest association of schools and
25 colleges, or by the state board of education.

26 For the purposes of this section, a nonprofit institution of secondary
27 or higher education means a private nonprofit secondary or higher
28 educational institution located within the state of Idaho, which is
29 accredited by the northwest association of schools and colleges, or by the
30 state board of education. A nonprofit private institution of elementary
31 education means a private nonprofit elementary educational institution
32 located within the state of Idaho and approved by the state board of
33 education.

34 SECTION 5. This act shall be in full force and effect on and after
35 January 1, 2011. Sections 3 and 4 of this act shall be in full force and
36 effect on and after January 1, 2016.