

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 632

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO INCOME TAXATION; AMENDING SECTION 63-3029A, IDAHO CODE, TO PRO-  
2 VIDE AN INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS MADE TO MEDICAL  
3 RESIDENCY PLACEMENT ORGANIZATIONS ACCREDITED BY THE ACCREDITATION  
4 COUNCIL FOR GRADUATE MEDICAL EDUCATION OR THE AMERICAN OSTEOPATHIC  
5 ORGANIZATION BASED IN IDAHO AND DEVOTED TO PLACING MEDICAL RESIDENCY  
6 WITHIN IDAHO; AMENDING SECTION 63-3029A, IDAHO CODE, AS AMENDED BY SEC-  
7 TION 5, CHAPTER 209, LAWS OF 2015, TO PROVIDE AN INCOME TAX CREDIT FOR  
8 CHARITABLE CONTRIBUTIONS MADE TO MEDICAL RESIDENCY PLACEMENT ORGANI-  
9 ZATIONS ACCREDITED BY THE ACCREDITATION COUNCIL FOR GRADUATE MEDICAL  
10 EDUCATION OR THE AMERICAN OSTEOPATHIC ORGANIZATION BASED IN IDAHO AND  
11 DEVOTED TO PLACING MEDICAL RESIDENCY WITHIN IDAHO; DECLARING AN EMER-  
12 GENCY AND PROVIDING EFFECTIVE DATES.  
13

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

15 SECTION 1. That Section 63-3029A, Idaho Code, be, and the same is hereby  
16 amended to read as follows:

17 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITA-  
18 TION. At the election of the taxpayer, there shall be allowed, subject to  
19 the applicable limitations provided herein, as a credit against the income  
20 tax imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty  
21 percent (50%) of the aggregate amount of charitable contributions made by  
22 such taxpayer during the year to a nonprofit corporation, fund, foundation,  
23 trust, or association organized and operated exclusively for the benefit of  
24 institutions of higher learning located within the state of Idaho, includ-  
25 ing a university related research park, to nonprofit private or public in-  
26 stitutions of elementary, secondary, or higher education or their founda-  
27 tions located within the state of Idaho, to a nonprofit corporation, fund,  
28 foundation, trust or association which is: (i) organized and operated ex-  
29 clusively for the benefit of elementary or secondary education institutions  
30 located within the state of Idaho; (ii) officially recognized and designated  
31 by resolution of the applicable governing board as any such elementary or  
32 secondary education institution's sole designated supporting organization;  
33 and (iii) qualified to be exempt from federal taxation under the terms of  
34 section 501(c) (3) of the Internal Revenue Code, for the express purpose of  
35 supplementing and enhancing a thorough system of public schools as defined  
36 in section 33-1612, Idaho Code, or supplementing and enhancing the private  
37 school which is the beneficiary, to Idaho education public broadcast system  
38 foundations within the state of Idaho, to the Idaho state historical soci-  
39 ety or its foundation, to the council for the deaf and hard of hearing, to  
40 the developmental disabilities council, to the commission for the blind and  
41 visually impaired, to the commission on Hispanic affairs, to the state in-  
42 dependent living council, to the Idaho commission for libraries and to pub-

1   lic libraries or their foundations and library districts or their founda-  
2   tions located within the state of Idaho, to nonprofit public or private mu-  
3   seums or their foundations located within the state of Idaho, to medical res-  
4   idency placement organizations accredited by the accreditation council for  
5   graduate medical education or the American osteopathic organization based  
6   in Idaho and devoted to placing medical residency within Idaho and to dedi-  
7   cated accounts within the Idaho community foundation inc. that exclusively  
8   support the charitable purposes otherwise qualifying for the tax credit au-  
9   thorized under the provisions of this section.

10       (1) In the case of a taxpayer other than a corporation, the amount al-  
11   lowable as a credit under this section for any taxable year shall not exceed  
12   fifty percent (50%) of such taxpayer's total income tax liability imposed by  
13   section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),  
14   whichever is less.

15       (2) In the case of a corporation, the amount allowable as a credit un-  
16   der this section for any taxable year shall not exceed ten percent (10%) of  
17   such corporation's total income or franchise tax liability imposed by sec-  
18   tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-  
19   lars (\$5,000), whichever is less.

20       For the purposes of this section, "contribution" means monetary dona-  
21   tions reduced by the value of any benefit received in return such as food, en-  
22   tertainment or merchandise.

23       For the purposes of this section, "institution of higher learning"  
24   means only an educational institution located within this state meeting all  
25   of the following requirements:

26       (a) It maintains a regular faculty and curriculum and has a regularly  
27   enrolled body of students in attendance at the place where its educa-  
28   tional activities are carried on.

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

30       (c) It is accredited by the northwest commission on colleges and uni-  
31   versities.

32       For the purposes of this section, a nonprofit institution of secondary  
33   or higher education means a private nonprofit secondary or higher educa-  
34   tional institution located within the state of Idaho, which is accredited  
35   by the northwest commission on colleges and universities, or accredited  
36   by a body approved by the state board of education. A nonprofit private  
37   institution of elementary education means a private nonprofit elementary  
38   educational institution located within the state of Idaho and accredited by  
39   the state board of education pursuant to section 33-119, Idaho Code.

40       For the purposes of this section, "organized and operated exclusively  
41   for the benefit of elementary or secondary education institutions" means  
42   having an explicit provision in the supporting organization's bylaws or  
43   other governing document that expressly identifies the elementary or sec-  
44   ondary schools, or one (1) or more school districts, in the state of Idaho  
45   that will be the exclusive beneficiary of the distributions of the nonprofit  
46   corporation, fund, foundation, trust or association.

47       For the purposes of this section, a nonprofit corporation, fund, foun-  
48   dation, trust or association that invests contributions in an endowment or  
49   otherwise shall be subject to the standards of care imposed under section  
50   33-5003, Idaho Code.

1 SECTION 2. That Section 63-3029A, Idaho Code, as amended by Section 5,  
2 Chapter 209, Laws of 2015, be, and the same is hereby amended to read as fol-  
3 lows:

4 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITA-  
5 TION. At the election of the taxpayer, there shall be allowed, subject to the  
6 applicable limitations provided herein, as a credit against the income tax  
7 imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent  
8 (50%) of the aggregate amount of charitable contributions made by such tax-  
9 payer during the year to a nonprofit corporation, fund, foundation, trust,  
10 or association organized and operated exclusively for the benefit of insti-  
11 tutions of higher learning located within the state of Idaho, including a  
12 university related research park, to nonprofit private or public institu-  
13 tions of elementary, secondary, or higher education or their foundations lo-  
14 cated within the state of Idaho, to Idaho education public broadcast system  
15 foundations within the state of Idaho, to the Idaho state historical soci-  
16 ety or its foundation, to the council for the deaf and hard of hearing, to  
17 the developmental disabilities council, to the commission for the blind and  
18 visually impaired, to the commission on Hispanic affairs, to the state in-  
19 dependent living council, to the Idaho commission for libraries and to pub-  
20 lic libraries or their foundations and library districts or their founda-  
21 tions located within the state of Idaho, to nonprofit public or private mu-  
22 seums or their foundations located within the state of Idaho, to medical res-  
23 idency placement organizations accredited by the accreditation council for  
24 graduate medical education or the American osteopathic organization based  
25 in Idaho and devoted to placing medical residency within Idaho and to dedi-  
26 cated accounts within the Idaho community foundation inc. that exclusively  
27 support the charitable purposes otherwise qualifying for the tax credit au-  
28 thorized under the provisions of this section.

29 (1) In the case of a taxpayer other than a corporation, the amount al-  
30 lowable as a credit under this section for any taxable year shall not exceed  
31 fifty percent (50%) of such taxpayer's total income tax liability imposed by  
32 section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),  
33 whichever is less.

34 (2) In the case of a corporation, the amount allowable as a credit un-  
35 der this section for any taxable year shall not exceed ten percent (10%) of  
36 such corporation's total income or franchise tax liability imposed by sec-  
37 tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-  
38 lars (\$5,000), whichever is less.

39 For the purposes of this section, "contribution" means monetary dona-  
40 tions reduced by the value of any benefit received in return such as food, en-  
41 tertainment or merchandise.

42 For the purposes of this section, "institution of higher learning"  
43 means only an educational institution located within this state meeting all  
44 of the following requirements:

45 (a) It maintains a regular faculty and curriculum and has a regularly  
46 enrolled body of students in attendance at the place where its educa-  
47 tional activities are carried on.

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

1 (c) It is accredited by the northwest commission on colleges and uni-  
2 versities.

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4 or higher education means a private nonprofit secondary or higher educa-  
5 tional institution located within the state of Idaho, which is accredited  
6 by the northwest commission on colleges and universities, or accredited  
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8 institution of elementary education means a private nonprofit elementary  
9 educational institution located within the state of Idaho and accredited by  
10 the state board of education pursuant to section 33-119, Idaho Code.

11 For the purposes of this section, a nonprofit corporation, fund, foun-  
12 dation, trust or association that invests contributions in an endowment or  
13 otherwise shall be subject to the standards of care imposed under section  
14 33-5003, Idaho Code.

15 SECTION 3. An emergency existing therefor, which emergency is hereby  
16 declared to exist, Section 1 of this act shall be in full force and effect  
17 on and after its passage and approval, and retroactively to January 1, 2016.  
18 Section 2 of this act shall be in full force and effect on and after January 1,  
19 2020.