

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 72

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAX CREDITS FOR CHARITABLE CONTRIBUTIONS; AMENDING SECTION 63-3029A, IDAHO CODE, TO PROVIDE FOR TAX CREDIT TO DEDICATED ACCOUNTS WITHIN THE IDAHO COMMUNITY FOUNDATION INC. THAT EXCLUSIVELY SUPPORT CHARITABLE PURPOSES OTHERWISE QUALIFYING FOR THE TAX CREDIT AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 63-3029A, IDAHO CODE, AS ENACTED BY SECTION 4, CHAPTER 354, LAWS OF 2010, TO PROVIDE FOR TAX CREDIT TO DEDICATED ACCOUNTS WITHIN THE IDAHO COMMUNITY FOUNDATION INC. THAT EXCLUSIVELY SUPPORT CHARITABLE PURPOSES OTHERWISE QUALIFYING FOR THE TAX CREDIT; DECLARING AN EMERGENCY, PROVIDING RETROACTIVE APPLICATION AND EFFECTIVE DATES.

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

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

63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITATION. At the election of the taxpayer, there shall be allowed, subject to the applicable limitations provided herein, as a credit against the income tax imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent (50%) of the aggregate amount of charitable contributions made by such taxpayer during the year to a nonprofit corporation, fund, foundation, trust, or association organized and operated exclusively for the benefit of institutions of higher learning located within the state of Idaho, including a university related research park, to nonprofit private or public institutions of elementary, secondary, or higher education or their foundations located within the state of Idaho, to a nonprofit corporation, fund, foundation, trust or association which is: (i) organized and operated exclusively for the benefit of elementary or secondary education institutions located within the state of Idaho; (ii) officially recognized and designated as any such elementary or secondary education institution's sole designated supporting organization; and (iii) qualified to be exempt from federal taxation under the terms of section 501(c)(3) of the Internal Revenue Code, to Idaho education public broadcast system foundations within the state of Idaho, to the Idaho state historical society or its foundation, to the council for the deaf and hard of hearing, to the developmental disabilities council, to the commission for the blind and visually impaired, to the commission on Hispanic affairs, to the state independent living council, to the Idaho commission for libraries and to public libraries or their foundations and library districts or their foundations located within the state of Idaho, ~~and~~ to nonprofit public or private museums or their foundations located within the state of Idaho and to dedicated accounts within the Idaho community foundation inc. that exclusively support the charitable purposes

1 otherwise qualifying for the tax credit authorized under the provisions of
2 this section.

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

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

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

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

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

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

23 (c) It is accredited by the northwest association of schools and col-
24 leges, or by the state board of education.

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

32 SECTION 2. That Section 63-3029A, Idaho Code, as enacted by Section 4,
33 Chapter 354, Laws of 2010, be, and the same is hereby amended to read as fol-
34 lows:

35 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITA-
36 TION. At the election of the taxpayer, there shall be allowed, subject to the
37 applicable limitations provided herein, as a credit against the income tax
38 imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent
39 (50%) of the aggregate amount of charitable contributions made by such tax-
40 payer during the year to a nonprofit corporation, fund, foundation, trust,
41 or association organized and operated exclusively for the benefit of insti-
42 tutions of higher learning located within the state of Idaho, including a
43 university related research park, to nonprofit private or public institu-
44 tions of elementary, secondary, or higher education or their foundations lo-
45 cated within the state of Idaho, to Idaho education public broadcast system
46 foundations within the state of Idaho, to the Idaho state historical society
47 or its foundation, to the Idaho commission for libraries and to public li-
48 braries or their foundations and library districts or their foundations lo-
49 cated within the state of Idaho, ~~and~~ to nonprofit public or private museums

1 or their foundations located within the state of Idaho and to dedicated ac-
 2 counts within the Idaho community foundation inc. that exclusively support
 3 the charitable purposes otherwise qualifying for the tax credit authorized
 4 under the provisions of this section.

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

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

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

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

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

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

25 (c) It is accredited by the northwest association of schools and col-
 26 leges, or by the state board of education.

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

34 SECTION 3. An emergency existing therefor, which emergency is hereby
 35 declared to exist, Section 1 of this act shall be in full force and effect on
 36 and after passage and approval, and retroactively to January 1, 2013. Sec-
 37 tion 2 of this act shall be in full force and effect on and after January 1,
 38 2016.