

shall ~~submit the claim~~ certify to the director of revenue and finance on or before ~~August 1~~ November 15 each year the total dollar amount due for claims allowed.

Sec. 8. Sections 1, 2, 3, 4, and 7 of this Act, being deemed of immediate importance, take effect upon enactment and apply retroactively to January 1, 1996. Sections 3, 4, and 7 of this Act apply to claims filed on or after January 1, 1996.

Approved April 24, 1996

CHAPTER 1168

TUITION AND TEXTBOOK INCOME TAX PROVISIONS

S.F. 2467

AN ACT increasing the nonpublic school tax credit and eliminating the nonpublic school tax deduction for amounts paid for tuition and textbooks for nonpublic elementary and secondary schools under the state individual income tax and providing effective and applicability date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 422.9, subsection 2, paragraph f, Code Supplement 1995, is amended by striking the paragraph.

Sec. 2. Section 422.12, subsection 2, unnumbered paragraph 1, Code Supplement 1995, is amended to read as follows:

~~For those who do not itemize their deductions, a~~ A tuition credit equal to ~~five~~ ten percent of the first one thousand dollars which the taxpayer has paid to others for each dependent in grades kindergarten through twelve, for tuition and textbooks of each dependent in attending an elementary or secondary school situated in Iowa, which school is accredited or approved under section 256.11, which is not operated for profit, and which adheres to the provisions of the federal Civil Rights Act of 1964 and chapter 216. As used in this subsection, "textbooks" means books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state and does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to inculcate those tenets, doctrines, or worship, and does not include books or materials for extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or programs of a similar nature. Notwithstanding any other provision, all other credits allowed under sections 422.12 and 422.12B shall be deducted before the tuition credit under this subsection. ~~The credit in this subsection does not apply to a taxpayer whose net income, as properly computed for state tax purposes, is forty five thousand dollars or more. In the case where the taxpayer is married, whether filing jointly or separately, the credit does not apply if the combined net income of the taxpayer and spouse is forty five thousand dollars or more. The department, when conducting an audit of a taxpayer's return, shall also audit the tuition tax credit portion of the tax return.~~

Sec. 3. This Act, being deemed of immediate importance, takes effect upon enactment, and applies retroactively to January 1, 1996, for tax years beginning on or after that date.

Approved April 25, 1996