

Senate Amendment 5245

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1 1 Amend Senate File 2295 as follows:

1 2 #1. By striking everything after the enacting

1 3 clause and inserting the following:

1 4 NEW SECTION. 422.12F ADDITIONAL

1 5 TUITION TAX CREDIT.

1 6 1. The tax imposed under this division, less the
1 7 credits allowed under sections 422.12 and 422.12B,
1 8 shall be reduced by an additional tuition tax credit
1 9 equal to fifty percent of the first one thousand
1 10 dollars which the taxpayer has paid to others for each
1 11 dependent in grades kindergarten through twelve, for
1 12 tuition and textbooks of each dependent in attending
1 13 an elementary or secondary school situated in Iowa,
1 14 which school is accredited or approved under section
1 15 256.11, which is not operated for profit, and which
1 16 adheres to the provisions of the federal Civil Rights
1 17 Act of 1964 and chapter 216. As used in this
1 18 subsection, "textbooks" and "tuition" mean the same as
1 19 those terms are defined in section 422.12, subsection
1 20 2.

1 21 The additional tuition tax credit provided in this
1 22 section is only available to taxpayers with net
1 23 incomes of less than forty thousand dollars. The tax
1 24 credit is in addition to the tuition credit provided
1 25 in section 422.12, subsection 2, which credit shall be
1 26 deducted prior to the additional tuition tax credit
1 27 under this section.

1 28 2. Any credit in excess of the tax liability shall
1 29 be refunded. In lieu of claiming a refund, a taxpayer
1 30 may elect to have the overpayment shown on the
1 31 taxpayer's final, completed return credited to the tax
1 32 liability for the following taxable year.

1 33 3. Married taxpayers electing to file separate
1 34 returns or to file separately on a combined return
1 35 form must determine the additional tuition tax credit
1 36 under subsection 1 based upon their combined net
1 37 income and allocate the total credit amount to each
1 38 spouse in the proportion that each spouse's respective
1 39 net income bears to the total combined net income.

1 40 Sec. 2. APPLICABILITY DATE. This Act applies to
1 41 tax years beginning on or after January 1, 2005.>

1 42 #2. Title page, by striking lines 1 and 2 and
1 43 inserting the following: 1 44 additional tuition tax credit for amounts paid for
1 45 tuition and textbooks of dependents to attend
1 46 elementary and secondary schools in Iowa and including
1 47 an>.

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2 1 MIKE CONNOLLY

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