

SENATE FILE 2298
BY FINK

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the establishment of an enrichment fund by
2 the board of directors of a school district, and providing for
3 a personal income tax credit and corporate income tax
4 deduction for contributions to an enrichment fund.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2298

1 Section 1. NEW SECTION. 279.59 ENRICHMENT FUND.

2 1. The board of directors may establish an enrichment fund
3 to be utilized by the school district for programs, services,
4 and projects which, in the opinion of the board of directors,
5 will enhance the quality of educational experience and expand
6 opportunities for learning for pupils in the school district.
7 The board shall encourage the organization and implementation
8 of school fundraising activities and events and promotional
9 efforts designed to increase awareness of and contributions to
10 the enrichment fund by parents, private businesses and
11 foundations, and other private funding sources. The
12 enrichment fund shall receive contributions solely from
13 private sources rather than through state foundation aid
14 pursuant to section 257.16 or any other existing state revenue
15 source. The fund shall be established within the office of
16 the treasurer of state in an account in the name of the school
17 district.

18 2. Contributions to the enrichment fund shall be eligible
19 for a state personal income tax credit of up to fifty dollars,
20 pursuant to section 422.12F, and a corporate income tax
21 deduction, pursuant to section 422.35, subsection 14.

22 Sec. 2. NEW SECTION. 422.12F ENRICHMENT FUND
23 CONTRIBUTION TAX CREDIT.

24 The taxes imposed under this division, less the credits
25 allowed under sections 422.11B, 422.12, and 422.12B, shall be
26 reduced by an enrichment fund contribution tax credit equal to
27 the first fifty dollars of annual contributions made to an
28 enrichment fund established pursuant to section 279.59. Any
29 credit in excess of tax liability is nonrefundable. An
30 individual may claim the enrichment fund contribution tax
31 credit allowed a partnership, subchapter S corporation, or
32 limited liability company. The amount claimed by the
33 individual shall be based upon the pro rata share of the
34 individual's earnings of the partnership, subchapter S
35 corporation, or limited liability company.

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EXPLANATION

This bill provides for the establishment of an enrichment fund by the board of directors of a school district, to be utilized by the school district for programs, services, and projects which, in the opinion of the board of directors, will enhance the quality of educational experience and expand opportunities for learning for pupils in the school district. The bill provides that the board shall encourage the organization, implementation, and promotion of school fundraising activities and events to increase awareness of the fund and fund contribution levels. The bill provides that the fund shall receive contributions solely from private sources, deposited into an account established within the office of the treasurer of state in the name of the school district. The bill additionally provides that contributions to the enrichment fund shall be eligible for a state personal income tax credit and a corporate income tax deduction.