

JAN 11 1999
WAYS AND MEANS

HOUSE FILE 12
BY CORBETT, GREINER, VAN FOSSEN,
WELTER, JAGER, JOHNSON, BAUDLER,
HOFFMAN, HUSEMAN, KETTERING,
SUNDERBRUCH, ALONS, BRAUNS,
BOGCESS, TYRRELL, LARSON, BRADLEY,
HAHN, BODDICKER, RANTS, and
CORMACK

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

A BILL FOR

1 An Act increasing the tuition tax credit under the individual
2 income tax and including a retroactive effective date
3 provision.

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

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19

HF 12

1 Section 1. Section 422.12, subsection 2, unnumbered
2 paragraph 1, Code 1999, is amended to read as follows:

3 A tuition tax credit equal to ~~twenty-five~~ fifty percent of
4 the first one thousand dollars which the taxpayer has paid to
5 others for each dependent in grades kindergarten through
6 twelve, for tuition and textbooks of each dependent in
7 attending an elementary or secondary school situated in Iowa,
8 which school is accredited or approved under section 256.11,
9 which is not operated for profit, and which adheres to the
10 provisions of the federal Civil Rights Act of 1964 and chapter
11 216. As used in this subsection, "textbooks" means books and
12 other instructional materials and equipment used in elementary
13 and secondary schools in teaching only those subjects legally
14 and commonly taught in public elementary and secondary schools
15 in this state and does not include instructional books and
16 materials used in the teaching of religious tenets, doctrines,
17 or worship, the purpose of which is to inculcate those tenets,
18 doctrines, or worship. "Textbooks" includes books or
19 materials used for extracurricular activities including
20 sporting events, musical or dramatic events, speech
21 activities, driver's education, or programs of a similar
22 nature. Notwithstanding any other provision, all other
23 credits allowed under this section and section 422.12B shall
24 be deducted before the tuition tax credit under this
25 subsection. The department, when conducting an audit of a
26 taxpayer's return, shall also audit the tuition tax credit
27 portion of the tax return.

28 Sec. 2. This Act applies retroactively to January 1, 1999,
29 for tax years beginning on or after that date.

30

EXPLANATION

31 The bill increases the tuition tax credit from 25 percent
32 of the first \$1,000 to 50 percent of the first \$1,000 paid to
33 others for each dependent in grades K-12 for tuition and
34 textbooks.

35 The bill applies retroactively to January 1, 1999, for tax

1 years beginning on or after that date.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35