

JAN 31 2001  
WAYS AND MEANS

HOUSE FILE 142  
BY TYMESON, HANSEN, and EICHHORN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act providing an individual income tax credit for certain  
2 teacher expenses and including a retroactive applicability  
3 date provision.

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

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HF 142

1 Section 1. NEW SECTION. 422.12A TEACHER EXPENSE CREDIT.

2 The taxes imposed under this division, less the credits  
3 allowed under section 422.12, shall be reduced by a teacher  
4 expense credit equal to the cost incurred to purchase supplies  
5 by the taxpayer to assist the taxpayer in teaching at an  
6 elementary or secondary school situated in Iowa, which school  
7 is accredited under section 256.11. To qualify for the  
8 credit, the costs must be nonreimbursable from any source and  
9 nondeductible in computing federal income tax. Any credit in  
10 excess of the tax liability is nonrefundable.

11 As used in this section, "supplies" includes but is not  
12 limited to paper supplies, bulletin boards, books, maps,  
13 charts, computer software but not hardware, and other items  
14 directly used by the taxpayer as a teacher.

15 Sec. 2. APPLICABILITY. This Act applies retroactively to  
16 January 1, 2001, for tax years beginning on or after that  
17 date.

18 EXPLANATION

19 This bill provides an income tax credit for teachers that  
20 incur expenses for supplies directly used by them in the  
21 teaching at elementary or secondary schools in Iowa. To  
22 qualify, the expenses must be nonreimbursable from any source  
23 and nondeductible for federal income tax purposes. These  
24 supplies include paper supplies, bulletin boards, books, maps,  
25 charts, computer software but not hardware, and other similar  
26 items directly used by the taxpayer as a teacher.

27 The bill applies retroactively to January 1, 2001, for tax  
28 years beginning on or after that date.

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