

House Study Bill 212 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON SANDS)

A BILL FOR

1 An Act providing an individual income tax credit for certain
2 supplies purchased by a teacher and including retroactive
3 applicability provisions.

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

1 Section 1. NEW SECTION. 422.11Y **Teacher expense credit.**

2 1. 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 first two hundred fifty dollars
5 of the cost incurred to purchase supplies by the taxpayer to
6 assist the taxpayer in teaching at an elementary or secondary
7 school situated in Iowa, which school is accredited under
8 section 256.11. To qualify for the credit, the costs must be
9 nonreimbursable from any source. If the cost incurred has been
10 deducted in computing federal adjusted gross income, the amount
11 of such deduction shall be added in determining net income
12 under section 422.7. Any credit in excess of the tax liability
13 is nonrefundable.

14 2. As used in this section, "*supplies*" includes but is
15 not limited to paper supplies, bulletin boards, books, maps,
16 charts, computer software but not hardware, and other items
17 directly used by the taxpayer as a teacher. The cost incurred
18 to purchase supplies for which a tax credit may be received
19 under this section shall not be used by a school district to
20 supplement its costs of instructional materials.

21 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
22 retroactively to January 1, 2011, for tax years beginning on
23 or after that date.

24 EXPLANATION

25 This bill provides an income tax credit of up to \$250 for
26 teachers that incur expenses for supplies directly used by
27 them in teaching at accredited elementary or secondary schools
28 in Iowa. To qualify, the expenses must be nonreimbursable
29 from any source. If the expenses were deducted in computing
30 federal adjusted gross income, the deduction shall be added
31 in determining Iowa net income. These supplies include paper
32 supplies, bulletin boards, books, maps, charts, computer
33 software but not hardware, and other similar items directly
34 used by the taxpayer as a teacher. The cost incurred to
35 purchase supplies for which a tax credit may be received under

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1 this Code section shall not be used by a school district to
2 supplement its costs of instructional materials.

3 The bill applies retroactively to January 1, 2011, for tax
4 years beginning on or after that date.