

House File 2160 - Introduced

HOUSE FILE 2160
BY BROWN-POWERS

A BILL FOR

1 An Act increasing the amount of the tuition tax credit and
2 including retroactive applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.12, subsection 2, paragraph b, Code
2 2018, is amended to read as follows:

3 b. A tuition credit equal to twenty-five percent of the
4 first ~~one~~ two thousand dollars ~~which~~ that the taxpayer has
5 paid to others for each dependent in grades kindergarten
6 through twelve, for tuition and textbooks of each dependent
7 in attending an elementary or secondary school situated in
8 Iowa, which school is accredited or approved under section
9 256.11, which is not operated for profit, and which adheres
10 to the provisions of the federal Civil Rights Act of 1964 and
11 chapter 216. Notwithstanding any other provision, all other
12 credits allowed under **this subsection** shall be deducted before
13 the tuition credit under this paragraph. The department, when
14 conducting an audit of a taxpayer's return, shall also audit
15 the tuition tax credit portion of the tax return.

16 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
17 retroactively to January 1, 2018, for tax years beginning on
18 or after that date.

19 EXPLANATION

20 The inclusion of this explanation does not constitute agreement with
21 the explanation's substance by the members of the general assembly.

22 This bill increases the amount of the tuition tax credit
23 allowed under Code section 422.12 from 25 percent of the first
24 \$1,000 paid for tuition and textbooks to 25 percent of the
25 first \$2,000 paid.

26 The bill applies retroactively to January 1, 2018, for tax
27 years beginning on or after that date.