

House File 2308 - Introduced

HOUSE FILE 2308

BY FETT

A BILL FOR

1 An Act relating to state participation in the federal tax credit
2 program for individual contributions to scholarship granting
3 organizations.

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

unofficial

1 Section 1. SCHOLARSHIP GRANTING PROGRAM.

2 1. The governor shall elect to participate in the federal tax
3 credit established by section 25F of the Internal Revenue Code
4 for individuals who make qualified contributions to scholarship
5 granting organizations.

6 2. The department of revenue and the department of education
7 shall follow all federal laws and regulations to administer the
8 federal tax credit established by section 25F of the Internal
9 Revenue Code to ensure the state is eligible to participate
10 in tax years beginning on or after January 1, 2027, and shall
11 annually submit all required information to the secretary of the
12 treasury of the United States for participation.

13 EXPLANATION

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

16 This bill relates to participation in the federal tax
17 credit program for individual contributions to scholarship
18 granting organizations. A scholarship granting organization
19 is a nonprofit entity that provides scholarships to eligible
20 elementary and secondary school children attending a nonpublic
21 school.

22 The bill requires the governor to elect to participate in the
23 federal tax credit established by section 25F of the Internal
24 Revenue Code (IRC). The bill requires the department of revenue
25 and the department of education follow all federal laws and
26 regulations to administer the federal tax credit established
27 by section 25F of the IRC to ensure the state is eligible
28 to participate in tax years beginning on or after January 1,
29 2027, and shall annually submit all required information to the
30 secretary of the treasury of the United States for participation.

31 A scholarship granting organization may provide scholarships
32 to eligible students in the amount of \$1,700 per year for any
33 qualified elementary or secondary school expenses to the extent
34 allowed by federal law.