

House File 2755 - Introduced

HOUSE FILE 2755
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2308)

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 is
19 a nonprofit entity that provides scholarships to pay qualified
20 elementary or secondary expenses of eligible students attending
21 elementary or secondary school. Eligible expenses include
22 tuition, fees, tutoring, and other educational supports for
23 students attending public or private schools. A scholarship
24 granting organization may provide scholarships to eligible
25 students in an amount not to exceed \$1,700 per year.

26 The bill requires the governor to elect to participate in the
27 federal tax credit established by section 25F of the Internal
28 Revenue Code (IRC). The bill requires the department of revenue
29 and the department of education follow all federal laws and
30 regulations to administer the federal tax credit established
31 by section 25F of the IRC to ensure the state is eligible
32 to participate in tax years beginning on or after January 1,
33 2027, and shall annually submit all required information to the
34 secretary of the treasury of the United States for participation.