

BILL SUMMARY
2nd Session of the 54th Legislature

Bill No.:	HB 2763
Version:	CS
Request Number:	10236
Author:	Rep. Renegar
Date:	3/4/2014
Impact:	Tax Commission:
	FY-16 Projected Revenue Decrease:
	Approximately \$350,000

Research Analysis

HB2763 establishes an income tax deduction for expenses incurred as a resulting of providing care to a grandchild in which the taxpayer has custody under a court order. For each grandchild, the grandparent may deduct \$5000 from taxable income.

Prepared By: Quyen Do

Fiscal Analysis

HB 2763 proposes to enact an income tax deduction (\$2,500 for single persons / \$5,000 for taxpayers filing a joint return) for expenses incurred to provide care for a grandchild for which the taxpayer has custody under a court order, effective for tax year 2015.

The Tax Commission has provided additional analysis on the potential revenue impact of the measure to account for the limited nature of the deduction concerning the custodial status resulting from a court order. Currently, the Commission estimates the decrease n income tax revenue may approach \$350,000 beginning in FY-16.

Prepared By: Mark Tygret

Other Considerations

None.