

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	SB 445
Version:	SUBREC
Request Number:	7445
Author:	Rep. Calvey
Date:	4/17/2017
Impact:	Tax Commission:
	\$0

Research Analysis

SB445 amends a tax credit for contributions to scholarship granting organizations and educational improvement grant organizations by modifying the allocation of the \$5 million annual cap. Beginning tax year 2016, any credits earned, but not allowed due to the annual cap, will be applied towards the following year's statewide annual cap.

Prepared By: Quyen Do

Fiscal Analysis

PROPOSED LAW

- This measure proposes to modify the allocation of the annual cap. Effective for tax year 2017 and subsequent tax years, if total combined credits claimed for contributions to one organization exceed the cap for that organization, credits not claimed for the other organization may be allocated to the first organization, but no more than \$5 million in total credits may be claimed annually.
- Beginning for tax year 2016, credits earned, but not allowed due to the application of statewide caps will be considered suspended and may be used in the next immediate tax year and applied to the next year's statewide cap.³
- The carryover of unused credits is also extended from the current three (3) years to five (5) years.

Prepared By: Mark Tygret

Other Considerations

None.