

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 357

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO INCOME TAX CREDIT; AMENDING SECTION 63-3029A, IDAHO CODE, TO
2 ALLOW A CERTAIN INCOME TAX CREDIT FOR A CHARITABLE CONTRIBUTION TO
3 THE IDAHO STEM ACTION CENTER; REPEALING SECTION 63-3029A, IDAHO CODE,
4 RELATING TO INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS AND LIMITA-
5 TION; AMENDING SECTION 63-3029A, IDAHO CODE, AS AMENDED BY SECTION
6 5, CHAPTER 209, LAWS OF 2015, TO ALLOW A CERTAIN INCOME TAX CREDIT FOR A
7 CHARITABLE CONTRIBUTION TO THE IDAHO STEM ACTION CENTER; AND PROVIDING
8 EFFECTIVE DATES.
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section 63-3029A, Idaho Code, be, and the same is hereby
12 amended to read as follows:

13 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITA-
14 TION. At the election of the taxpayer, there shall be allowed, subject to
15 the applicable limitations provided herein, as a credit against the income
16 tax imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty
17 percent (50%) of the aggregate amount of charitable contributions made by
18 such taxpayer during the year to a nonprofit corporation, fund, foundation,
19 trust, or association organized and operated exclusively for the benefit of
20 institutions of higher learning located within the state of Idaho, includ-
21 ing a university related research park, to nonprofit private or public in-
22 stitutions of elementary, secondary, or higher education or their founda-
23 tions located within the state of Idaho, to a nonprofit corporation, fund,
24 foundation, trust or association which is: (i) organized and operated ex-
25 clusively for the benefit of elementary or secondary education institutions
26 located within the state of Idaho; (ii) officially recognized and designated
27 by resolution of the applicable governing board as any such elementary or
28 secondary education institution's sole designated supporting organization;
29 and (iii) qualified to be exempt from federal taxation under the terms of
30 section 501(c)(3) of the Internal Revenue Code, for the express purpose of
31 supplementing and enhancing a thorough system of public schools as defined
32 in section 33-1612, Idaho Code, or supplementing and enhancing the private
33 school which is the beneficiary, to Idaho education public broadcast system
34 foundations within the state of Idaho, to the Idaho state historical soci-
35 ety or its foundation, to the council for the deaf and hard of hearing, to
36 the developmental disabilities council, to the commission for the blind and
37 visually impaired, to the commission on Hispanic affairs, to the state in-
38 dependent living council, to the Idaho commission for libraries and to pub-
39 lic libraries or their foundations and library districts or their founda-
40 tions located within the state of Idaho, to the Idaho STEM action center, to
41 nonprofit public or private museums or their foundations located within the
42 state of Idaho and to dedicated accounts within the Idaho community founda-

1 tion inc. that exclusively support the charitable purposes otherwise quali-
2 fying for the tax credit authorized under the provisions of this section.

3 (1) In the case of a taxpayer other than a corporation, the amount al-
4 lowable as a credit under this section for any taxable year shall not exceed
5 fifty percent (50%) of such taxpayer's total income tax liability imposed by
6 section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),
7 whichever is less.

8 (2) In the case of a corporation, the amount allowable as a credit un-
9 der this section for any taxable year shall not exceed ten percent (10%) of
10 such corporation's total income or franchise tax liability imposed by sec-
11 tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-
12 lars (\$5,000), whichever is less.

13 For the purposes of this section, "contribution" means monetary dona-
14 tions reduced by the value of any benefit received in return such as food, en-
15 tertainment or merchandise.

16 For the purposes of this section, "institution of higher learning"
17 means only an educational institution located within this state meeting all
18 of the following requirements:

19 (a) It maintains a regular faculty and curriculum and has a regularly
20 enrolled body of students in attendance at the place where its educa-
21 tional activities are carried on.

22 (b) It regularly offers education above the twelfth grade.

23 (c) It is accredited by the northwest commission on colleges and uni-
24 versities.

25 For the purposes of this section, a nonprofit institution of secondary
26 or higher education means a private nonprofit secondary or higher educa-
27 tional institution located within the state of Idaho, which is accredited
28 by the northwest commission on colleges and universities, or accredited
29 by a body approved by the state board of education. A nonprofit private
30 institution of elementary education means a private nonprofit elementary
31 educational institution located within the state of Idaho and accredited by
32 the state board of education pursuant to section 33-119, Idaho Code.

33 For the purposes of this section, "organized and operated exclusively
34 for the benefit of elementary or secondary education institutions" means
35 having an explicit provision in the supporting organization's bylaws or
36 other governing document that expressly identifies the elementary or sec-
37 ondary schools, or one (1) or more school districts, in the state of Idaho
38 that will be the exclusive beneficiary of the distributions of the nonprofit
39 corporation, fund, foundation, trust or association.

40 For the purposes of this section, a nonprofit corporation, fund, foun-
41 dation, trust or association that invests contributions in an endowment or
42 otherwise shall be subject to the standards of care imposed under section
43 33-5003, Idaho Code.

44 SECTION 2. That Section [63-3029A](#), Idaho Code, be, and the same is hereby
45 repealed.

46 SECTION 3. That Section 63-3029A, Idaho Code, as amended by Section 5,
47 Chapter 209, Laws of 2015, be, and the same is hereby amended to read as fol-
48 lows:

1 63-3029A. INCOME TAX CREDIT FOR CHARITABLE CONTRIBUTIONS -- LIMITA-
2 TION. At the election of the taxpayer, there shall be allowed, subject to the
3 applicable limitations provided herein, as a credit against the income tax
4 imposed by chapter 30, title 63, Idaho Code, an amount equal to fifty percent
5 (50%) of the aggregate amount of charitable contributions made by such tax-
6 payer during the year to a nonprofit corporation, fund, foundation, trust,
7 or association organized and operated exclusively for the benefit of insti-
8 tutions of higher learning located within the state of Idaho, including a
9 university related research park, to nonprofit private or public institu-
10 tions of elementary, secondary, or higher education or their foundations lo-
11 cated within the state of Idaho, to Idaho education public broadcast system
12 foundations within the state of Idaho, to the Idaho state historical soci-
13 ety or its foundation, to the council for the deaf and hard of hearing, to
14 the developmental disabilities council, to the commission for the blind and
15 visually impaired, to the commission on Hispanic affairs, to the state in-
16 dependent living council, to the Idaho commission for libraries and to pub-
17 lic libraries or their foundations and library districts or their founda-
18 tions located within the state of Idaho, to the Idaho STEM action center, to
19 nonprofit public or private museums or their foundations located within the
20 state of Idaho and to dedicated accounts within the Idaho community founda-
21 tion inc. that exclusively support the charitable purposes otherwise quali-
22 fying for the tax credit authorized under the provisions of this section.

23 (1) In the case of a taxpayer other than a corporation, the amount al-
24 lowable as a credit under this section for any taxable year shall not exceed
25 fifty percent (50%) of such taxpayer's total income tax liability imposed by
26 section 63-3024, Idaho Code, for the year, or five hundred dollars (\$500),
27 whichever is less.

28 (2) In the case of a corporation, the amount allowable as a credit un-
29 der this section for any taxable year shall not exceed ten percent (10%) of
30 such corporation's total income or franchise tax liability imposed by sec-
31 tions 63-3025 and 63-3025A, Idaho Code, for the year, or five thousand dol-
32 lars (\$5,000), whichever is less.

33 For the purposes of this section, "contribution" means monetary dona-
34 tions reduced by the value of any benefit received in return such as food, en-
35 tertainment or merchandise.

36 For the purposes of this section, "institution of higher learning"
37 means only an educational institution located within this state meeting all
38 of the following requirements:

39 (a) It maintains a regular faculty and curriculum and has a regularly
40 enrolled body of students in attendance at the place where its educa-
41 tional activities are carried on.

42 (b) It regularly offers education above the twelfth grade.

43 (c) It is accredited by the northwest commission on colleges and uni-
44 versities.

45 For the purposes of this section, a nonprofit institution of secondary
46 or higher education means a private nonprofit secondary or higher educa-
47 tional institution located within the state of Idaho, which is accredited
48 by the northwest commission on colleges and universities, or accredited
49 by a body approved by the state board of education. A nonprofit private
50 institution of elementary education means a private nonprofit elementary

1 educational institution located within the state of Idaho and accredited by
2 the state board of education pursuant to section 33-119, Idaho Code.

3 For the purposes of this section, a nonprofit corporation, fund, foun-
4 dation, trust or association that invests contributions in an endowment or
5 otherwise shall be subject to the standards of care imposed under section
6 33-5003, Idaho Code.

7 SECTION 4. The provisions of Sections 2 and 3 of this act shall be in
8 full force and effect on and after January 1, 2020.