

Department of Planning and Budget

2016 Fiscal Impact Statement

1. Bill Number: HB1017

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Massie

3. Committee: Finance

4. Title: Education improvement scholarships tax credit; reporting and other requirements.

5. Summary: Modifies the tax credit by (i) making the current required report of donations qualifying for the credit and scholarships awarded from such donations as of June 30, (ii) increasing from 20 to 40 the number of days by which a scholarship foundation is required to return a preauthorization notice to the Department of Education to certify that a donor has completed his donation to the foundation, (iii) increasing from 14 to 21 the number of days by which a scholarship foundation must convert a donation of marketable securities into cash, and (iv) making clarifying and technical amendments.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: This bill would eliminate duplicative and unnecessary reporting associated with the education improvement scholarships tax credit program by aligning reporting periods and eliminating a requirement from the scholarship foundations' annual financial reports. This bill would simplify the Department of Education's administration of the tax credit program and is not anticipated to have a state fiscal impact.

The Department of Taxation does not anticipate any impact on general fund revenues because this bill would neither change the annual credit cap nor the credit eligibility requirements that apply to taxpayers claiming the credit.

9. Specific Agency or Political Subdivisions Affected: Department of Education, Department of Taxation

10. Technical Amendment Necessary: None.

11. Other Comments: None.