

Regular Session, 2012

HOUSE BILL NO. 1106

BY REPRESENTATIVES KATRINA JACKSON, BARROW, BERTHELOT, WESLEY BISHOP, BURRELL, COX, DIXON, GREENE, HOFFMANN, HONORE, HOWARD, HUNTER, GIROD JACKSON, JAMES, JEFFERSON, NANCY LANDRY, TERRY LANDRY, LEGER, NORTON, ORTEGO, PIERRE, POPE, SMITH, ST. GERMAIN, THIERRY, AND PATRICK WILLIAMS AND SENATORS BROOME, DORSEY-COLOMB, AND THOMPSON

VETOED
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Veto Message

AN ACT

To enact Chapter 3 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 47:6301, relative to rebates; to authorize a rebate for donations to certain public schools; to provide for the amount and issuance of the rebate; to provide for certain requirements and limitations; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Chapter 3 of Subtitle VII of Title 47 of the Louisiana Revised Statutes of 1950, comprised of R.S. 47:6301, is hereby enacted to read as follows:

CHAPTER 3. REBATES FOR DONATIONS TO PUBLIC SCHOOLS

§6301. Rebates; donations to public schools

A.(1) There shall be allowed a rebate for donations a taxpayer makes during a taxable year to public schools which received a letter grade of "B", "C", "D", or "F" for the most recent year pursuant to the Louisiana School and District Accountability System. In order to qualify for the rebate, the donation shall be made by a taxpayer who files a Louisiana income tax return.

(2) The donation shall be used by the public school for purchasing instructional materials and supplies used in classrooms or in tutorial programs to enhance student learning, for costs and expenses in establishing and maintaining

1 tutorial programs designed to enhance student academic achievement, for costs and
2 expenses in establishing and maintaining in-school child care programs for student
3 parents, for school based health clinics, or for meeting any of the requirements
4 prescribed for academically unacceptable schools prescribed for in Chapter 16 of
5 LAC 28:LXXXIII.

6 (3) The amount of the rebate shall be as follows:

7 (a) If a donation is made to a public school that received a letter grade of "F"
8 or any variation thereof for the most recent year, pursuant to the Louisiana School
9 and District Accountability System, the amount of the rebate shall be equal to
10 seventy-five percent of the taxpayer's donation.

11 (b) If a donation is made to a public school that received a letter grade of "D"
12 or any variation thereof for the most recent year, pursuant to the Louisiana School
13 and District Accountability System, the amount of the rebate shall be equal to
14 seventy-five percent of the taxpayer's donation.

15 (c) If a donation is made to a public school that received a letter grade of "B"
16 or "C" or any variation thereof for the most recent year, pursuant to the Louisiana
17 School and District Accountability System, the amount of the rebate shall be equal
18 to seventy-five percent of the taxpayer's donation.

19 (d) No rebate shall be issued for a donation to a public school that received
20 a letter grade of "A" or any variation thereof, pursuant to the Louisiana School and
21 District Accountability System.

22 (4) The Department of Revenue shall provide a standardized format for a
23 receipt to be issued by the public school to the taxpayer. The receipt shall indicate
24 the amount of the donation to the public school and the letter grade the public school
25 received pursuant to the Louisiana School and District Accountability System. The
26 receipt shall also include certification by the public school that the donation will be
27 used for one of the authorized purposes provided for in Paragraph (2) of this
28 Subsection. The Department of Revenue shall require a taxpayer to provide a copy
29 of the receipt when claiming the rebate authorized by this Section.

1 (5)(a) The governing authority of the public school which has received a
2 donation eligible for a rebate pursuant to this Section shall provide a public report
3 to the Department of Revenue which shall be prepared by a certified public
4 accountant and shall be submitted to the department no later than the first day of
5 January each year. The report shall contain the name and address of the public
6 school, the total number and total dollar amount of donations received during the
7 previous fiscal year, the total amount of contributions made by each contributor
8 during the previous calendar year, and the social security number or Louisiana
9 taxpayer identification number of each contributor.

10 (b) Upon receipt of such report, the Department of Revenue shall prepare
11 from its records as an addendum to each report, the amount and date of issuance of
12 each rebate issued for a donation made to such school pursuant to this Section. The
13 release of such information shall not be a violation of R.S. 47:1508.

14 (c) An electronic format for this report shall be furnished to the Department
15 of Education by the Department of Revenue on or by the first day of February of
16 each year.

17 B. The total amount of rebates that shall be issued pursuant to the provisions
18 of this Section shall not exceed ten million dollars per calendar year; however, in any
19 year in which the amount of rebates awarded reaches ninety percent of the current
20 year annual cap, the annual cap for the next year shall be increased by twenty
21 percent.

22 C. The Department of Revenue shall approve rebates on a first-come, first-
23 served basis until the maximum amount of rebates has been issued starting on
24 January first for income tax years ending prior to that date; however, all rebate
25 requests received on the same business day shall be treated as received at the same
26 time, and if the aggregate amount of rebate requests received on a single business
27 day exceeds the total amount of available rebates, rebates shall be approved on a pro
28 rata basis.

29 D. Notwithstanding any provision of law to the contrary, the secretary of the
30 Department of Revenue shall make the rebate authorized pursuant to the provisions

1 of this Section from the current collections of the taxes imposed by this Title as
2 amended.

3 Section 2. The provisions of this Act shall become effective on January 1, 2013, and
4 shall be applicable to donations made to a public school for the 2013-2014 school year and
5 thereafter.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____

VETO MESSAGE

K-12 education is fully funded at a level of \$3.41 billion through the Minimum Foundation Program (MFP) in Fiscal Year 2013. House Bill No. 1106 provides for an additional \$10 million outside of the MFP, but does not have a corresponding appropriation in House Bill No. 1.

Therefore, I have vetoed House Bill No. 1106 and hereby return it to the House of Representatives.