

REFERENCE TITLE: tax credit; schools; study abroad

State of Arizona
Senate
Forty-eighth Legislature
Second Regular Session
2008

SB 1079

Introduced by
Senators Gray L: Verschoor; Representative Weiers JP

AN ACT

AMENDING SECTION 43-1089.01, ARIZONA REVISED STATUTES; RELATING TO INDIVIDUAL
INCOME TAX CREDITS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 43-1089.01, Arizona Revised Statutes, is amended to
3 read:

4 43-1089.01. Tax credit; public school fees and contributions;
5 definitions

6 A. A credit is allowed against the taxes imposed by this title for the
7 amount of any fees or cash contributions made by a taxpayer during the
8 taxable year to a public school located in this state for the support of
9 extracurricular activities or character education programs of the public
10 school, but not exceeding:

11 1. Two hundred dollars for a single individual or a head of household.

12 2. Three hundred dollars in taxable year 2005 for a married couple
13 filing a joint return.

14 3. Four hundred dollars in taxable year 2006 and any subsequent
15 TAXABLE year for a married couple filing a joint return.

16 B. A husband and wife who file separate returns for a taxable year in
17 which they could have filed a joint return may each claim only one-half of
18 the tax credit that would have been allowed for a joint return.

19 C. The credit allowed by this section is in lieu of any deduction
20 pursuant to section 170 of the internal revenue code and taken for state tax
21 purposes.

22 D. If the allowable tax credit exceeds the taxes otherwise due under
23 this title on the claimant's income, or if there are no taxes due under this
24 title, the taxpayer may carry the amount of the claim not used to offset the
25 taxes under this title forward for not more than five consecutive taxable
26 years' income tax liability.

27 E. The site council of the public school that receives contributions
28 that are not designated for a specific purpose shall determine how the
29 contributions are used at the school site. If a charter school does not have
30 a site council, the principal, director or chief administrator of the charter
31 school shall determine how the contributions that are not designated for a
32 specific purpose are used at the school site.

33 F. A public school that receives fees or a cash contribution pursuant
34 to subsection A of this section shall report to the department, in a form
35 prescribed by the department, by February 28 of each year the following
36 information:

37 1. The total number of fee and cash contribution payments received
38 during the previous calendar year.

39 2. The total dollar amount of fees and contributions received during
40 the previous calendar year.

41 3. The total dollar amount of fees and contributions spent by the
42 school during the previous calendar year.

43 G. For the purposes of this section:

44 1. "Character education programs" means a program described in section
45 15-719.

1 2. "Extracurricular activities" means school sponsored activities that
2 require enrolled students to pay a fee in order to participate including fees
3 for:
4 (a) Band uniforms.
5 (b) Equipment or uniforms for varsity athletic activities.
6 (c) Scientific laboratory materials.
7 (d) In-state or out-of-state trips that are solely for competitive
8 events. Extracurricular activities do not include any senior trips, [STUDY](#)
9 [ABROAD PROGRAMS, FIELD TRIPS TO FOREIGN COUNTRIES](#) or events that are
10 recreational, amusement or tourist activities.