

SENATE BILL No. 150

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-14.5.

Synopsis: Tax credit for teachers' classroom supplies. Increases the maximum amount of the income tax credit for an individual employed as a teacher for amounts expended for classroom supplies from \$100 to \$1,500 per taxable year.

Effective: January 1, 2023 (retroactive).

Randolph Lonnie M

January 9, 2023, read first time and referred to Committee on Tax and Fiscal Policy.



First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

SENATE BILL No. 150

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3-3-14.5, AS ADDED BY P.L.213-2015,
2 SECTION 82, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2023 (RETROACTIVE)]: Sec. 14.5. (a) As used in this
4 section, "classroom supplies" means any items that qualify for the
5 educator expense deduction under Section 62(a)(2)(D) of the Internal
6 Revenue Code. ~~(as effective December 31, 2013).~~

7 (b) Each taxable year, an individual employed as a teacher (as
8 defined in IC 20-18-2-22(a)) is entitled to a credit against the
9 individual's adjusted gross income tax liability for amounts expended
10 during the taxable year for classroom supplies. The amount of the
11 credit is the lesser of:

- 12 (1) one **thousand five** hundred dollars ~~(\$100)~~; **(\$1,500)**; or
- 13 (2) the total amount expended for classroom supplies during a
14 taxable year.

15 (c) The credit provided by this section may not exceed the amount
16 of the individual's adjusted gross income tax liability for the taxable
17 year, reduced by the sum of all credits for the taxable year that are



1 applied before the application of the credit provided by this section.
2 The amount of any unused credit under this section for a taxable year
3 may not be carried forward to a succeeding taxable year, carried back
4 to a preceding taxable year, or refunded.

5 SECTION 2. [EFFECTIVE JANUARY 1, 2023 (RETROACTIVE)]

6 **(a) IC 6-3-3-14.5, as amended by this act, applies to taxable years**
7 **beginning after December 31, 2022.**

8 **(b) This SECTION expires June 30, 2025.**

9 SECTION 3. **An emergency is declared for this act.**

