

2020 Second Extraordinary Session

HOUSE BILL NO. 20

BY REPRESENTATIVE EDMONDS

TAX/INCOME TAX: Provides relative to income tax deduction for certain educational expenses incurred during the COVID-19 pandemic (Item #26)

1 AN ACT

2 To enact R.S. 47:297.15, relative to individual income tax deductions; to authorize a
3 deduction for certain educational expenses incurred during the COVID-19 pandemic
4 in 2020; to provide for the amount of the deduction; to provide for definitions; to
5 provide for limitations and requirements; to provide for an effective date; and to
6 provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:297.15 is hereby enacted to read as follows:

9 §297.15. Tax deduction; educational expenses; COVID-19 pandemic in 2020

10 A.(1) There shall be allowed a deduction from tax table income for the sum
11 of amounts paid or incurred from March 13, 2020, through December 31, 2020,
12 during the COVID-19 pandemic for the following expenses for an eligible child:

13 (a) Tuition and mandatory fees for a student who transferred from a public
14 elementary or secondary school that did not offer in-person educational services to
15 an approved nonpublic elementary or secondary school that offered in-person
16 educational services.

17 (b) Expenses for educational coaching services for an in-person facilitator
18 of virtual education delivered by a public or approved nonpublic elementary or
19 secondary school provided that the facilitator is not an immediate family member of
20 the taxpayer.

1 (2) The amount of the deduction authorized by this Section shall be equal to
2 the actual amount of eligible tuition, fees, or educational coaching services incurred
3 or paid by the taxpayer per eligible child or five thousand dollars per eligible child,
4 whichever is less. The amount of the deduction authorized in this Section shall not
5 exceed the total taxable income of the individual.

6 B. For purposes of this Section, the following words shall have the following
7 meanings unless the context clearly indicates otherwise:

8 (1) "Approved nonpublic elementary or secondary school" shall mean a
9 nonpublic elementary or secondary school located in Louisiana which complies with
10 the criteria set forth in *Brumfield, et al. v. Dodd, et al.* 425 F. Supp. 528 and Section
11 501(c)(3) of the Internal Revenue Code, or any public elementary or secondary
12 laboratory school which is operated by a public college or university.

13 (2) "Eligible child" shall mean a student who qualifies as a dependency
14 exemption on the taxpayer's Louisiana income tax return for either the taxable year
15 or the prior taxable year.

16 (3) "Immediate family member" shall mean the taxpayer, the taxpayer's
17 spouse, the spouse of the taxpayer's children, the taxpayer's brothers or sisters and
18 their spouses, the taxpayer's parent, and the parent of the taxpayer's spouse.

19 Section 2. This Act shall become effective upon signature by the governor or, if not
20 signed by the governor, upon expiration of the time for bills to become law without signature
21 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
22 vetoed by the governor and subsequently approved by the legislature, this Act shall become
23 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 20 Original

2020 Second Extraordinary Session

Edmonds

Abstract: Establishes an income tax deduction for certain educational expenses for an eligible child paid or incurred by a taxpayer between March 13, 2020, and Dec. 31, 2020, as a result of the COVID-19 pandemic.

Proposed law establishes an income tax deduction for the following expenses that were paid or incurred by the taxpayer between March 13, 2020, and Dec. 31, 2020, as a result of the COVID-19 pandemic that occurred in 2020:

- (1) Tuition and mandatory fees for a student who transferred from a public elementary or secondary school that did not offer in-person educational services to an approved nonpublic elementary or secondary school that offered in-person educational services.
- (2) Expenses for educational coaching services for an in-person facilitator of virtual education delivered by a public or approved nonpublic elementary or secondary school provided that the facilitator is not an immediate family member of the taxpayer.

Proposed law provides that the amount of the deduction shall be equal to the actual amount of eligible tuition, fees, or educational coaching services incurred or paid by the taxpayer per eligible child or \$5,000, whichever is less. Prohibits the amount of the deduction from exceeding the total taxable income of the individual.

Proposed law defines an "approved nonpublic elementary or secondary school" as a nonpublic elementary or secondary school located in La. which complies with the criteria set forth in *Brumfield, et al. v. Dodd, et al.* and complies with Section 501(c)(3) of the Internal Revenue Code, or any public elementary or secondary laboratory school which is operated by a public college or university.

Proposed law defines an "eligible child" as a student who qualifies as a dependency exemption on the taxpayer's La. income tax return for either the taxable year or the prior taxable year.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:297.15)