

SENATE FILE 2173  
BY SCHUERER

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act expanding the tuition tax credit to include tutoring  
2 expenses for dependents receiving any schooling, textbook  
3 expenses paid by taxpayers for dependents receiving competent  
4 private instruction, and tuition and textbook expenses paid by  
5 taxpayers for dependents attending nonaccredited elementary  
6 and secondary private schools.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2173  
EDUCATION

1 Section 1. Section 422.12, subsection 2, unnumbered  
2 paragraph 1, Code 2001, is amended to read as follows:

3 A tuition credit equal to twenty-five percent of the first  
4 one thousand dollars which the taxpayer has paid to others for  
5 each dependent in grades kindergarten through twelve, for  
6 tuition, tutoring, and textbooks of each dependent in  
7 attending an elementary or secondary school situated in Iowa,  
8 ~~which school is accredited or approved under section 256-117~~,  
9 which is not operated for profit, and which adheres to the  
10 provisions of the federal Civil Rights Act of 1964 and chapter  
11 216. A taxpayer shall also be permitted a deduction for the  
12 credit equal to twenty-five percent of the first one thousand  
13 dollars which the taxpayer has paid to others for each  
14 dependent in grades kindergarten through twelve for tutoring  
15 and textbooks of each dependent receiving competent private  
16 instruction in accordance with the requirements of chapter  
17 299A. As used in this subsection, "textbooks" means books and  
18 other instructional materials and equipment used in elementary  
19 and secondary schools in teaching only those subjects legally  
20 and commonly taught in public elementary and secondary schools  
21 in this state and does not include instructional books and  
22 materials used in the teaching of religious tenets, doctrines,  
23 or worship, the purpose of which is to inculcate those tenets,  
24 doctrines, or worship. "Textbooks" includes books or  
25 materials used for extracurricular activities including  
26 sporting events, musical or dramatic events, speech  
27 activities, driver's education, or programs of a similar  
28 nature. Notwithstanding any other provision, all other  
29 credits allowed under this section and section 422.12B shall  
30 be deducted before the tuition credit under this subsection.  
31 The department, when conducting an audit of a taxpayer's  
32 return, shall also audit the tuition tax credit portion of the  
33 tax return.

34 Sec. 2. Section 422.12, subsection 2, Code 2001, is  
35 amended by adding the following new unnumbered paragraph:

1 NEW UNNUMBERED PARAGRAPH. As used in this subsection,  
2 "tutoring" means study directed by a qualified instructor,  
3 which includes only a licensed teacher, a person supervised by  
4 a licensed teacher, a person who has passed a teacher  
5 competency test or who teaches in an accredited private  
6 school, or a person with a baccalaureate degree.

7 EXPLANATION

8 This bill expands the tuition tax credit, which is  
9 currently set at an amount up to 25 percent of the first  
10 \$1,000 a taxpayer pays for tuition and textbooks, to taxpayers  
11 whose dependents attend nonaccredited private elementary and  
12 secondary schools and permits taxpayers to claim the credit  
13 for textbook expenses for each dependent receiving competent  
14 private instruction.

15 The bill also expands the tuition tax credit to include  
16 tutoring expenses paid by taxpayers for each dependent  
17 attending an accredited or nonaccredited elementary and  
18 secondary school or receiving competent private instruction.  
19 The bill defines "tutoring" as a study directed by a qualified  
20 instructor, which is limited to a licensed teacher, a person  
21 supervised by a licensed teacher, a person who has passed a  
22 teacher competency test or who teaches in an accredited  
23 private school, or a person with a baccalaureate degree.

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