



Senate Finance Committee

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BILL SUMMARY

Legislation: House Bill 91, P.N. 80
Sponsor: Representative Evankovich
Act Amended: Tax Reform Code
Date: June 24, 2014

Synopsis

Amends the Tax Reform Code of 1971 to allow career and technical schools to be eligible to receive business donations within the Educational Improvement Tax Credit (EITC) program and provides for a set-aside for donations within the program to career and technical schools.

Bill Summary

House Bill 91 amends Article 17-F of the Tax Reform Code of 1971 (relating to Educational Improvement Tax Credit) to add a new definition of "career and technical school", and to add career and technical schools to the definition of "public school".

Ten percent of the amount available to Education Improvement Organizations (EIOs) will be initially dedicated to those corporations providing donations to career and technical schools. Any tax credits remaining from the amount set aside for career and technical schools after July 1 of each year shall be made available to business firms for contributions to any EIO.

** Brubaker amendment proposes to eliminate this carve out so career and technical schools will have the same odds as other schools competing for donations

Effective date: Effective in 60 days.

Current Law

The ability of career and technical schools to receive EITC donations from EIOs varies under current law. School districts are able to receive donations for career and technical programs within their schools and for individual district-run schools, and the Pennsylvania Career and Technical Association (PACTA) is able to distribute donations from the state association's EIO. However, there are other career and technical schools that are not eligible to benefit from donations made specifically for that school.

This document is a summary of proposed legislation and is prepared only as general information for use by Members and staff of the Pennsylvania Senate Finance Committee. The document does not represent the legislative intent of the Senate Finance Committee and may not be utilized as such.

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