

February 28, 2007

**H 430. TAX CREDIT—NONPUBLIC SCHOOL STUDENTS.** Filed 2/28/07. *TO INCREASE PER PUPIL FUNDING IN PUBLIC SCHOOLS AND REDUCE THE BURDEN ON RAPIDLY GROWING COUNTIES OF CLASSROOM CONSTRUCTION BY ALLOWING AN INDIVIDUAL INCOME TAX CREDIT FOR PART OF THE EXPENSE OF EDUCATING CHILDREN VOLUNTARILY INCURRED BY PARENTS AND TO INCLUDE NONPUBLIC SCHOOL STUDENTS IN THE AVERAGE DAILY MEMBERSHIP OF LOCAL SCHOOL ADMINISTRATIVE UNITS.*

Enacts new GS 105-151.31 to grant taxpayers whose children would otherwise attend a public school in a county in which the average daily membership of the school system has increased by at least 20% over any 10-year period beginning on or after January 1, 1995, an individual income tax credit calculated as follows: (1) for each child educated in a home school—\$200 per month; (2) for each child educated in a charter school—a credit equal to the amount voluntarily contributed by the taxpayer to the school for capital construction, but no more than 50% of the average per pupil allocation for the local school administrative unit that the child would otherwise attend; and (3) for private schools—a credit equal to the amount of tuition the taxpayer paid to educate the child, but no more than 50% of the average per pupil allocation for the local school administrative unit that the child would otherwise attend. Requires that the Secretary of Revenue refund any excess credit to the taxpayer and specifies information that must be provided by a taxpayer to claim the credit. The credit is effective beginning with the 2007 tax year. Enacts new GS 115C-567 to require that a child who attends a nonpublic school be included on a 25% basis when calculating the average daily membership of the local school administrative unit that the child would otherwise have attended, effective July 1, 2007.

**Intro. by Blackwood.**

GS 105, 115C