

1 HB384
2 156953-6
3 By Representatives Buttram, Baker, Collins and Hubbard (M)
4 RFD: Ways and Means Education
5 First Read: 30-JAN-14

1 them to enter the workforce in high skill, high wage, or high
2 demand occupations.

3 (2) CONTRIBUTION. A donation of cash.

4 (3) ELIGIBLE STUDENT. A high school student who
5 meets the eligibility requirements and standards as prescribed
6 by State Board of Education policy to enroll for
7 Career-Technical Education Dual Enrollment/Dual Credit
8 courses.

9 (4) QUALIFYING EDUCATIONAL EXPENSES. Tuition, fees,
10 books, materials, and supplies required of or on behalf of a
11 student by the Alabama Community College System institution or
12 institutions for participation in a Career-Technical Dual
13 Enrollment Program.

14 (5) TAXPAYER. An individual taxpayer, a married
15 couple filing a joint tax return, a limited liability company,
16 a corporation, or any other business entity lawfully organized
17 and created under the laws of this state or other state.

18 Section 2. (a) (1) For tax years commencing January
19 1, ~~2014~~ 2015, and thereafter, a taxpayer who files a state
20 income tax return and is not a dependent of another taxpayer
21 may claim a tax credit for a contribution made to the
22 Department of Postsecondary Education for qualifying
23 educational expenses directly associated with the
24 Career-Technical Dual Enrollment Program as defined by State
25 Board of Education policy.

26 (2) The tax credit may be claimed by the taxpayer in
27 an amount equal to 50 percent of the total contribution or

1 contributions made to the Department of Postsecondary
2 Education during the taxable year for which the credit is
3 claimed, but such credit is not to exceed an amount greater
4 than 50 percent of the taxpayer's total Alabama income tax
5 liability, and in no case more than five hundred thousand
6 dollars (\$500,000) for any given tax year.

7 (3) The cumulative amount of tax credits issued
8 pursuant this act shall not exceed five million dollars
9 (\$5,000,000) annually. The Department of Revenue, in
10 conjunction with the Department of Postsecondary Education,
11 shall develop procedures to ensure that this cap is not
12 exceeded, shall also prescribe the various methods by which
13 these credits are to be issued, and shall develop procedures
14 to notify taxpayers at such points in time when the five
15 million dollar (\$5,000,000) annual limitation has been reached
16 for the tax credit pursuant to this act.

17 (4) A taxpayer may carry forward all or part of a
18 tax credit granted to the taxpayer under this act for a period
19 of up to three years.

20 (b) (1) The Department of Revenue shall adopt rules
21 and procedures consistent with this section as necessary to
22 implement the provisions of this act.

23 (2) The Department of Revenue shall provide a
24 standardized format for a receipt to be issued by the
25 Department of Postsecondary Education to a taxpayer to
26 indicate the value of a contribution received. The Department

1 of Revenue shall require the taxpayer to provide a copy of the
2 receipt when claiming the tax credit pursuant to this act.

3 (c) The tax credit provided in this section may be
4 first claimed for the ~~2014~~ 2015 tax year and may not be
5 claimed for any tax year prior to the ~~2014~~ 2015 tax year.

6 Section 3. (a) The Department of Revenue may require
7 a taxpayer to submit copies of receipts or other similar
8 financial documentation with the taxpayer's state income tax
9 return as necessary to confirm eligibility for the tax credit.

10 (b) The Department of Revenue shall promulgate rules
11 and develop any tax forms, directions, and worksheets as
12 necessary to effectuate the intent of this act.

13 Section 4. (a) The Commissioner of Revenue shall
14 annually report the total amount of tax credits claimed and
15 authorized pursuant to this act, on or before the fifteenth
16 day of each regular session, to the Director of Finance, the
17 Chair of the House Ways and Means Education Committee, and the
18 Chair of the Senate Finance and Taxation Education Committee.

19 (b) The Department of Postsecondary Education shall
20 include in its regular quarterly report amounts expended for
21 qualifying ~~education~~ educational expenses pursuant to this act
22 to the Director of Finance, the Chair of the House Ways and
23 Means Education Committee, and the Chair of the Senate Finance
24 and Taxation Education Committee.

25 Section 5. (a) The Department of Postsecondary
26 Education shall be responsible for administering the
27 Career-Technical Dual Enrollment Program, for promulgating

1 rules necessary for the department to implement the provisions
2 of this act, and for allocating or disbursing the funds made
3 available by this act for qualifying educational expenses.
4 However, the Department of Postsecondary Education may
5 annually allocate up to two hundred thousand dollars
6 (\$200,000) ~~out~~ of the funds received pursuant to this act for
7 qualifying educational expenses for administrative costs
8 directly associated with implementing the provisions of this
9 act.

10 (b) The Department of Postsecondary Education shall
11 work with business and industry partners, the Alabama
12 Workforce Training Council, the Alabama Community College
13 ~~system~~ System, and the Regional Workforce Development Councils
14 to ensure that the funds received pursuant to this act are
15 allocated in a manner consistent with addressing the
16 identified needs in each workforce region regarding the
17 Career-Technical Dual Enrollment Program.

18 (c) Notwithstanding any other provision of this act,
19 a taxpayer that makes a contribution toward qualifying
20 educational expenses for the Career-Technical Dual Enrollment
21 Program may direct that up to 80 percent of the taxpayer's
22 contribution be allocated by the Department of Postsecondary
23 Education to specific career technical programs or courses at
24 a particular Alabama Community College System institution. The
25 remaining or otherwise undirected portion of any such
26 contribution shall be allocated or disbursed by the Department

1 of Postsecondary Education pursuant to the provisions of this
2 act.

3 (d) Any portion of funds from contributions received
4 pursuant to this act during a tax year and remaining
5 unallocated at the end of that tax year may be used by the
6 Department of Postsecondary Education in subsequent tax years
7 for qualifying educational expenses.

8 Section 6. This act shall become effective
9 immediately following its passage and approval by the
10 Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Ways and Means
Education..... 30-JAN-14

Read for the second time and placed
on the calendar 2 amendments 06-FEB-14

Read for the third time and passed
as amended..... 12-FEB-14

Yeas 100, Nays 0, Abstains 0

Jeff Woodard
Clerk