



FISCAL NOTE

House Bill 310

Committee: Ways and Means - Education

Sponsor: Representative Terri Collins

Analyst: Tiffany Weaver

Date: 03/18/2024

House Bill 310 as introduced could decrease income tax receipts to the Education Trust Fund and financial institutions excise tax receipts to the State General Fund, counties, and municipalities by a cumulative maximum of \$38 million for fiscal year 2026, \$60 million for fiscal year 2027, and \$80 million for fiscal year 2028 and each year thereafter by allowing taxpayers to claim a non-refundable, non-transferrable tax credit, beginning in tax year 2025, up to the annual amounts listed below, for donations to certain rural hospitals to be used for certain allowable expenditures. This bill would allow such credit to be carried forward up to 3-years and limit the amount of credit contributed to a single hospital to \$2 million annually.

Taxpayer	Maximum Annual Tax Credit Amount
Single, Head of Household, Married Filing Separately	\$15,000
Married Filing Jointly	\$30,000
Pass-Through Entity, Limited Liability Corporation, Professional Corporation	\$450,000
Subchapter C corporation	Lessor of \$500,000 or corporation’s tax liability

Further this bill would create the Rural Hospital Investment Program, administered by a seven-member board in the State Treasurer's Office, to determine the eligibility of hospitals to qualify for donations under this bill and report on the donations and credits claimed under the program. This bill would increase the obligations of the State Treasurer's Office by an estimated \$1,200 annually for per diem and travel expenses.

In addition, this bill would increase the administrative obligations of the Department of Revenue



to: (1) annually publish a list of rural hospitals eligible for the program; (2) pre-approve donations pursuant to this program; and (3) to enact rules to implement and administer the provisions of this bill.