

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 550

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO INCOME TAXES; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE, BY THE  
2 ADDITION OF A NEW SECTION 63-3029M, IDAHO CODE, TO PROVIDE FOR AN INCOME  
3 TAX CREDIT FOR EMPLOYER CONTRIBUTIONS TO AN IDAHO COLLEGE SAVINGS PRO-  
4 GRAM ACCOUNT; AND DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE AP-  
5 PPLICATION.  
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7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Chapter 30, Title 63, Idaho Code, be, and the same is  
9 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
10 ignated as Section 63-3029M, Idaho Code, and to read as follows:

11 63-3029M. INCOME TAX CREDIT FOR EMPLOYER CONTRIBUTIONS TO IDAHO COL-  
12 LEGE SAVINGS PROGRAM ACCOUNTS. (1) Subject to the limitations of this sec-  
13 tion, for taxable years beginning on and after January 1, 2020, there shall  
14 be allowed to an employer a nonrefundable credit against taxes imposed by  
15 this chapter for each of the employer's contributions to an employee's Idaho  
16 college savings program account established pursuant to chapter 54, title  
17 33, Idaho Code.

18 (2) The credit allowed by this section shall be in the amount of twenty  
19 percent (20%) of the total contributions per employee, but may not exceed  
20 five hundred dollars (\$500) per employee, per taxable year.

21 (3) If the amount of a tax credit under this section exceeds a tax-  
22 payer's tax liability under this chapter for a taxable year, the amount  
23 of the tax credit that exceeds the taxpayer's income tax liability may be  
24 carried forward for a period that does not exceed the next five (5) taxable  
25 years.

26 (4) As used in this section, the term "employee" means a person who,  
27 during the taxable year for which the credit is allowed, is subject to Idaho  
28 income tax withholding, whether or not any amounts are required to be with-  
29 held, and who is covered by the employer for unemployment insurance purposes  
30 under chapter 13, title 72, Idaho Code.

31 SECTION 2. An emergency existing therefor, which emergency is hereby  
32 declared to exist, this act shall be in full force and effect on and after its  
33 passage and approval, and retroactively to January 1, 2020.