

# SENATE BILL No. 259

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-2-22.

**Synopsis:** Income tax deduction for public school expenses. Provides that the income tax deduction for education expenses for a dependent child is allowable for expenses made in connection with attendance at a public school. (Under current law, the tax deduction applies only to expenses made in connection with a private school program.)

**Effective:** January 1, 2018.

---

---

## Tallian

---

---

January 9, 2017, read first time and referred to Committee on Appropriations.

---

---



First Regular Session 120th General Assembly (2017)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

## SENATE BILL No. 259

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-3-2-22, AS ADDED BY P.L.229-2011,  
2 SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2018]: Sec. 22. (a) The following definitions apply  
4 throughout this section:

5 (1) "Dependent child" means an individual who:

6 (A) is eligible to receive a free elementary or high school  
7 education in an Indiana school corporation;

8 (B) qualifies as a dependent (as defined in Section 152 of the  
9 Internal Revenue Code) of the taxpayer; and

10 (C) is the natural or adopted child of the taxpayer or, if custody  
11 of the child has been awarded in a court proceeding to  
12 someone other than the mother or father, the court appointed  
13 guardian or custodian of the child.

14 If the parents of a child are divorced, the term refers to the parent  
15 who is eligible to take the exemption for the child under Section  
16 151 of the Internal Revenue Code.

17 (2) "Education expenditure" refers to any expenditures made in



1 connection with enrollment, attendance, or participation of the  
 2 taxpayer's dependent child in a **public or** private elementary or  
 3 high school education program. The term includes tuition, fees,  
 4 computer software, textbooks, workbooks, curricula, school  
 5 supplies (other than personal computers), and other written  
 6 materials used primarily for academic instruction or for academic  
 7 tutoring, or both.

8 (3) "**Public or** private elementary or high school education  
 9 program" means attendance at:

10 (A) **a school corporation;**

11 ~~(A) (B)~~ a nonpublic school (as defined in IC 20-18-2-12); or

12 ~~(B) (C)~~ an accredited nonpublic school;

13 in Indiana that satisfies a child's obligation under IC 20-33-2 for  
 14 compulsory attendance at a school. ~~The term does not include the~~  
 15 ~~delivery of instructional service in a home setting to a dependent~~  
 16 ~~child who is enrolled in a school corporation or a charter school.~~

17 (4) "**School corporation**" refers to a **public school corporation**  
 18 **established under IC 20. The term includes a charter school**  
 19 **(as defined in IC 20-24-1-4).**

20 (b) This section applies to taxable years beginning after December  
 21 31, 2010.

22 (c) A taxpayer who makes an unreimbursed education expenditure  
 23 during the taxpayer's taxable year is entitled to a deduction against the  
 24 taxpayer's adjusted gross income in the taxable year.

25 (d) The amount of the deduction is:

26 (1) one thousand dollars (\$1,000); multiplied by

27 (2) the number of the taxpayer's dependent children for whom the  
 28 taxpayer made education expenditures in the taxable year.

29 A husband and wife are entitled to only one (1) deduction under this  
 30 section.

31 (e) To receive the deduction provided by this section, a taxpayer  
 32 must claim the deduction on the taxpayer's annual state tax return or  
 33 returns in the manner prescribed by the department.

