

SENATE BILL No. 274

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3-3-5; IC 21-12-16; IC 21-12-16.5.

Synopsis: Education matters. Defines "teacher" for the next generation Hoosier educators and next generation Hoosier minority educators scholarship programs and funds. Provides that an applicant may meet certain scholarship qualifications by being employed as a full-time teacher or full-time school counselor for five years. Increases the amount of the tax credit allowed to individuals for contributions to a postsecondary educational institution or related foundation in Indiana from \$100 to \$200 in the case of a single return and from \$200 to \$400 in the case of a joint return.

Effective: January 1, 2024 (retroactive); July 1, 2024.

Buchanan

January 11, 2024, read first time and referred to Committee on Education and Career Development.



Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

SENATE BILL No. 274



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

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

1 SECTION 1. IC 6-3-3-5, AS AMENDED BY P.L.2-2007,
2 SECTION 121, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]: Sec. 5. (a) At
4 the election of the taxpayer, there shall be allowed, as a credit against
5 the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7 for
6 the taxable year, an amount (subject to the applicable limitations
7 provided by this section) equal to fifty percent (50%) of the aggregate
8 amount of charitable contributions made by such taxpayer during such
9 year to postsecondary educational institutions located within Indiana
10 (including any of its associated colleges in Indiana) or to any
11 corporation or foundation organized and operated solely for the benefit
12 of any postsecondary educational institution.

13 (b) In the case of a taxpayer other than a corporation, the amount
14 allowable as a credit under this section for any taxable year shall not
15 exceed ~~one~~ **two** hundred dollars (~~\$100~~) (**\$200**) in the case of a single
16 return or ~~two~~ **four** hundred dollars (~~\$200~~) (**\$400**) in the case of a joint
17 return.



1 (c) In the case of a corporation, the amount allowable as a credit
2 under this section for any taxable year shall not exceed:

- 3 (1) ten percent (10%) of such corporation's total adjusted gross
4 income tax under IC 6-3-1 through IC 6-3-7 for such year (as
5 determined without regard to any credits against that tax); or
6 (2) one thousand dollars (\$1,000);

7 whichever is less.

8 (d) A charitable contribution in Indiana qualifies for a credit under
9 this section only if the charitable contribution is made to a
10 postsecondary educational institution or a corporation or foundation
11 organized for the benefit of a postsecondary educational institution
12 that:

- 13 (1) normally maintains a regular faculty and curriculum and
14 normally has a regularly organized body of students in attendance
15 at the place where its educational activities are carried on;
16 (2) regularly offers education at a level above the twelfth grade;
17 (3) regularly awards either associate, bachelors, masters, or
18 doctoral degrees, or any combination thereof; and
19 (4) is duly accredited by the North Central Association of
20 Colleges and Schools, the Indiana state board of education, or the
21 American Association of Theological Schools.

22 (e) The credit allowed by this section shall not exceed the amount
23 of the adjusted gross income tax imposed by IC 6-3-1 through IC 6-3-7
24 for the taxable year, reduced by the sum of all credits (as determined
25 without regard to this section) allowed by IC 6-3-1 through IC 6-3-7.

26 SECTION 2. IC 21-12-16-1.5 IS ADDED TO THE INDIANA
27 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2024]: **Sec. 1.5. As used in this chapter,**
29 **"teacher" refers to a person who is employed by a public school or**
30 **an eligible school (as defined in IC 20-51-1-4.7) as a:**

- 31 (1) **full-time classroom teacher (as defined in**
32 **IC 20-18-2-22(d)); or**
33 (2) **school counselor (as defined in IC 20-18-2-22(b)(5));**

34 **whose primary responsibility is the instruction or counseling of**
35 **students.**

36 SECTION 3. IC 21-12-16-5, AS AMENDED BY P.L.161-2023,
37 SECTION 1, AND AS AMENDED BY P.L.242-2023, SECTION 1,
38 AND AS AMENDED BY THE TECHNICAL CORRECTIONS BILL
39 OF THE 2024 GENERAL ASSEMBLY, IS CORRECTED AND
40 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:
41 Sec. 5. (a) An applicant who is enrolled in an accredited postsecondary
42 educational institution after June 30, 2017, may qualify for a



1 scholarship under this ~~chapter~~ *section*. To qualify for a scholarship, an
 2 applicant must:

3 (1) apply for a scholarship on a form supplied by the commission;
 4 (2) except as provided in subsection (b), have graduated from an
 5 Indiana nonaccredited nonpublic or state accredited high school
 6 accredited under IC 20-31-4.1 and:

7 (A) graduated in the highest twenty percent (20%) of students
 8 in the applicant's high school graduating class;

9 (B) received a score in the top twentieth percentile on the SAT
 10 or ACT examination; or

11 (C) achieved a cumulative grade point average upon
 12 graduation of at least ~~3.5~~ 3.0 on a 4.0 grading scale (or its
 13 equivalent if another grading scale is used) for courses taken
 14 during grades 9, 10, 11, and 12;

15 (3) have participated in school activities and community service
 16 activities during high school;

17 (4) have applied to and been accepted for enrollment in an
 18 accredited postsecondary educational institution approved by the
 19 commission under section 10 of this chapter;

20 (5) agree in writing to:

21 (A) obtain a license to teach under IC 20-28-5; and

22 (B) **teach be employed as a teacher** for at least five (5)
 23 consecutive years in a public school or an eligible school (as
 24 defined in IC 20-51-1-4.7) in Indiana after graduating with a
 25 baccalaureate degree from the accredited postsecondary
 26 educational institution described in subdivision (4); and

27 (6) meet any other criteria established by the commission.

28 (b) A student who graduates from a nonaccredited nonpublic school
 29 must meet the requirement described in subsection (a)(2)(B) in order
 30 to meet the eligibility requirement described in subsection (a)(2).

31 SECTION 4. IC 21-12-16.5-1.5 IS ADDED TO THE INDIANA
 32 CODE AS A NEW SECTION TO READ AS FOLLOWS
 33 [EFFECTIVE JULY 1, 2024]: **Sec. 1.5. As used in this chapter,**
 34 **"teacher" refers to a person who is employed by a public school or**
 35 **an eligible school (as defined in IC 20-51-1-4.7) as a:**

36 (1) **full-time classroom teacher (as defined in**
 37 **IC 20-18-2-22(d)); or**

38 (2) **school counselor (as defined in IC 20-18-2-22(b)(5));**

39 **whose primary responsibility is the instruction or counseling of**
 40 **students.**

41 SECTION 5. IC 21-12-16.5-5, AS ADDED BY P.L.161-2023,
 42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2024]: Sec. 5. (a) An applicant who is enrolled in an
 2 accredited postsecondary educational institution may qualify for a
 3 scholarship under this chapter. To qualify for a scholarship, an
 4 applicant must:

5 (1) apply for a scholarship on a form supplied by the commission;
 6 (2) except as provided in subsection (b), have graduated from an
 7 Indiana nonaccredited nonpublic or state accredited high school
 8 accredited under IC 20-31-4.1 and:

9 (A) graduated in the highest twenty percent (20%) of students
 10 in the applicant's high school graduating class;

11 (B) received a score in the top twentieth percentile on the SAT
 12 or ACT examination; or

13 (C) achieved a cumulative grade point average upon
 14 graduation of at least 3.0 on a 4.0 grading scale (or its
 15 equivalent if another grading scale is used) for courses taken
 16 during grades 9, 10, 11, and 12;

17 (3) have participated in school activities and community service
 18 activities during high school;

19 (4) have applied to and been accepted for enrollment in an
 20 accredited postsecondary educational institution approved by the
 21 commission under section 10 of this chapter;

22 (5) agree in writing to:

23 (A) obtain a license to teach under IC 20-28-5; and

24 (B) **teach be employed as a teacher** for at least five (5)
 25 consecutive years in a public school or an eligible school (as
 26 defined in IC 20-51-1-4.7) in Indiana after graduating with a
 27 baccalaureate degree from the accredited postsecondary
 28 educational institution described in subdivision (4);

29 (6) meet the definition of a minority under IC 21-13-1-6; and

30 (7) meet any other criteria established by the commission.

31 (b) A student who graduates from a nonaccredited nonpublic school
 32 must meet the requirement described in subsection (a)(2)(B) in order
 33 to meet the eligibility requirement described in subsection (a)(2).

34 SECTION 6. [EFFECTIVE JANUARY 1, 2024 (RETROACTIVE)]

35 **(a) IC 6-3-3-5, as amended by this act, applies to taxable years**
 36 **beginning after December 31, 2023.**

37 **(b) This SECTION expires July 1, 2028.**

38 SECTION 7. **An emergency is declared for this act.**

