

HB 2068 -- SHOW ME A BRIGHTER FUTURE SCHOLARSHIP PROGRAM

SPONSOR: Fitzwater

For all fiscal years beginning on July 1, 2021, any taxpayer who makes a qualifying contribution to the "Show Me a Brighter Future Scholarship Fund" created in the bill may claim a tax credit equal to 100% of the total contribution. The amount of the tax credit claimed by an individual taxpayer or a married couple filing jointly shall not exceed 50% of the taxpayer's state tax liability for the year in which the credit is claimed, nor shall a corporate taxpayer claim a tax credit in excess of 50% of such taxpayer's state tax liability for the year.

The State Treasurer shall certify the tax credit amount to the taxpayer. Such credit may be carried forward to any of the taxpayer's three subsequent tax years. No tax credits authorized under the program shall be transferred, sold, or assigned, and are not refundable.

The cumulative amount of tax credits that may be allocated to all taxpayers contributing to the scholarship fund in the first year of the program shall not exceed \$25 million. If the amount of the tax credits claimed in the first tax year exceeds 90% of the tax credits available, the amount of tax credits available shall increase by 10% in the subsequent year. Tax credits shall be allocated by the State Treasurer on a first come, first served basis.

A taxpayer who makes a contribution to the scholarship fund shall not designate the student who will receive a scholarship grant. The State Treasurer shall adopt rules and procedures necessary to implement the provisions of this bill, including rules setting forth the order of preference for scholarship awards, reporting requirements, responsibilities of a parent of an eligible student, and responsibilities of an eligible student's district of residence.

Scholarship grants shall be provided to eligible students with a qualified tuition savings account or an Achieving a Better Life Experience (ABLE) account.

This bill specifies that, an eligible student is any student who is a member of a household whose total annual income does not exceed an amount equal to two times the income standard used to qualify for free and reduced price lunch, who has attended a public school in the preceding semester or is starting school in the state for the first time, or who is starting school in Missouri for the first time and is a sibling of a student already enrolled in the program.

The amount of scholarship grants awarded to eligible students shall be equal to the state adequacy target, and the amount of scholarship grants awarded to a special education eligible student shall be in an amount equal to the state adequacy target multiplied by 1.75.

Scholarship funds in a qualified tuition savings account shall only be used for payment of tuition at a qualifying school. Scholarship funds in an ABLE account shall only be used for tuition at a qualifying school, special education services, therapies, and transportation.

The State Treasurer may bar a parent from future participation in the program if the State Treasurer establishes that the parent has intentionally spent scholarship grant funds for a purpose other than that allowed under the bill or by rule.

This bill is similar to SB 581 (2020).