



Bill Number: S.B. 1007
Kavanagh Floor Amendment
Reference to: printed bill
Amendment drafted by: Leg Council

FLOOR AMENDMENT EXPLANATION

1. Authorizes, until June 30, 2029, rather than permanently, the use of Public School Extracurricular Activity Fees Tax Credit contributions for the following purposes:
 - a) the acquisition of outlined capital items;
 - b) community school meal programs;
 - c) student consumable health care supplies; and
 - d) playground equipment and shade structures for playground equipment
2. Makes conforming changes.

KAVANAGH FLOOR AMENDMENT
SENATE AMENDMENTS TO S.B. 1007
(Reference to printed bill)

Amendment instruction key:

[GREEN UNDERLINING IN BRACKETS] indicates text added to statute or previously enacted session law.

[Green underlining in brackets] indicates text added to new session law or text restoring existing law.

[~~GREEN STRIKEOUT IN BRACKETS~~] indicates new text removed from statute or previously enacted session law.

[~~Green strikeout in brackets~~] indicates text removed from existing statute, previously enacted session law or new session law.

<<Green carets>> indicate a section added to the bill.

<<~~Green strikeout in carets~~>> indicates a section removed from the bill.

1 The bill as proposed to be amended is reprinted as follows:

2 Section 1. Section 43-1089.01, Arizona Revised Statutes, is amended
3 to read:

4 43-1089.01. Tax credit; public school fees and contributions;
5 definitions

6 A. A credit is allowed against the taxes imposed by this title for
7 the amount of any fees paid or cash contributions made by a taxpayer or on
8 the taxpayer's behalf pursuant to section 43-401, subsection G during the
9 taxable year to a public school located in this state for the following
10 public school purposes:

11 1. Standardized testing for college credit or readiness offered by
12 a widely recognized and accepted educational testing organization.

13 2. The career and technical education industry certification
14 assessment.

15 3. Preparation courses and materials for standardized testing.

16 4. Cardiopulmonary resuscitation training pursuant to section
17 15-718.01.

18 5. Extracurricular activities.

19 6. Character education programs.

20 7. [From and after June 30, 2019 through June 30,] ~~2024~~ [2029:]

21 [(a)] Acquiring capital items, as defined in the uniform system of
22 financial records, including those items listed in section 15-903,
23 subsection C, paragraphs 2 through 8.

24 [(b)] ~~[8-]~~ Community school meal programs. An amount paid by an
25 individual to receive a meal or a meal card does not qualify as a fee or
26 donation for community school meal programs.

27 [(c)] ~~[9-]~~ Student consumable health care supplies.

28 [(d)] ~~[10-]~~ Playground equipment and shade structures for
29 playground equipment.

1 B. The amount of the credit shall not exceed:

2 1. \$200 for a single individual or a head of household.

3 2. \$400 for a married couple filing a joint return.

4 C. A husband and wife who file separate returns for a taxable year
5 in which they could have filed a joint return may each claim only one-half
6 of the tax credit that would have been allowed for a joint return.

7 D. The credit allowed by this section is in lieu of any deduction
8 pursuant to section 170 of the internal revenue code and taken for state
9 tax purposes.

10 E. If the allowable tax credit exceeds the taxes otherwise due
11 under this title on the claimant's income, or if there are no taxes due
12 under this title, the taxpayer may carry the amount of the claim not used
13 to offset the taxes under this title forward for not more than five
14 consecutive taxable years' income tax liability.

15 F. The site council of the public school that receives
16 contributions that are not designated for a specific purpose shall
17 determine how the contributions are used at the school site. If a charter
18 school does not have a site council, the principal, director or chief
19 administrator of the charter school shall determine how the contributions
20 that are not designated for a specific purpose are used at the school
21 site. If at the end of a fiscal year a public school has unspent
22 contributions that were previously designated for a specific purpose or
23 program and that purpose or program has been discontinued or has not been
24 used for two consecutive fiscal years, these contributions shall be
25 considered undesignated in the following fiscal year for the purposes of
26 this subsection, and the site council may transfer these undesignated
27 contributions to any school within the same school district.

28 G. A public school that receives fees or a cash contribution
29 pursuant to subsection A of this section shall report to the department,
30 in a form prescribed by the department, by February 28 of each year the
31 following information:

32 1. The total number of fee and cash contribution payments received
33 during the previous calendar year.

34 2. The total dollar amount of fees and contributions received
35 during the previous calendar year.

36 3. The total dollar amount of fees and contributions spent by the
37 school during the previous calendar year, categorized by specific
38 standardized testing, preparation courses and materials for standardized
39 testing, extracurricular activity or character education program.

40 H. For the purposes of this section, a contribution for which a
41 credit is claimed and that is made on or before the fifteenth day of the
42 fourth month following the close of the taxable year may be applied to
43 either the current or preceding taxable year and is considered to have
44 been made on the last day of that taxable year.

1 I. For the purposes of this section:
2 1. "Career and technical education industry certification
3 assessment" means an assessment for career and technical preparation
4 programs for pupils.
5 2. "Character education programs" means a program described in
6 section 15-719.
7 3. "Community school meal program" means a school meal program that
8 takes place before or after the regular school day on school property.
9 4. "Extracurricular activities" means school-sponsored activities
10 that may require enrolled students to pay a fee in order to participate,
11 including fees for:
12 (a) Band uniforms.
13 (b) Equipment or uniforms for varsity athletic activities.
14 (c) Scientific laboratory materials.
15 (d) In-state or out-of-state trips that are solely for competitive
16 events. Extracurricular activities do not include any senior trips or
17 events that are recreational, amusement or tourist activities.
18 5. "Public school" means a school that is part of a school
19 district, a career technical education district or a charter school.
20 6. "Standardized testing for college credit or readiness" includes
21 the SAT, PSAT, ACT, advanced placement and international baccalaureate
22 diploma tests and other similar tests.
23 7. "Student consumable health care supplies" includes tissues, hand
24 wipes, bandages and other health care consumables that are generally used
25 by children.
26 8. "Widely recognized and accepted educational testing
27 organization" means the college board, the ACT, the international
28 baccalaureate and other organizations that are widely recognized and
29 accepted by colleges and universities in the United States and that offer
30 college credit and readiness examinations.
31 Sec. 2. Retroactivity
32 This act applies retroactively to from and after June 30, 2024.

33 Enroll and engross to conform
34 Amend title to conform

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