

HB 2347 -- TAX DEDUCTION

SPONSOR: Carpenter

Beginning January 1, 2021, this bill allows for a income tax deduction for charitable contributions, as defined in the bill, if an individual filed a federal income tax return on which the individual claimed a standard deduction on their federal return.

The amount of the deduction will be in an amount up to or equal the total dollar amount of charitable contributions, less \$500. Non-monetary contributions of property will be valued according to the fair market value of the contribution.

The amount of the deduction must not exceed 50% of the amount of the taxpayer's federal adjusted gross income reported on the taxpayer's return.

No taxpayer is permitted to claim the charitable contribution deduction and a tax credit, in whole or in part, on the same charitable contribution made by the taxpayer.

The taxpayer claiming the deduction authorized under this bill must retain records sufficient to verify the amounts of charitable contributions used to calculate their deduction.

The Department of Revenue will promulgate all rules and regulations necessary for the administration of the deduction under this bill, and this bill sunsets six years after the effective date unless reauthorized by the General Assembly.