

4099--A

2013-2014 Regular Sessions

I N S E N A T E

March 8, 2013

Introduced by Sens. GOLDEN, ADDABBO, DILAN, MAZIARZ, SAVINO -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law and the education law, in relation to enacting the "education investment incentives act"

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Short title. This act shall be known and may be cited as
2 the "education investment incentives act".
3 S 2. Legislative findings and intent. The legislature hereby finds and
4 declares that:
5 a. The education of the children of this state is one of the founda-
6 tions of a strong society that requires an academically robust and
7 financially sound school system, both public and non-public;
8 b. At a time when the state is considering ways of reducing the tax
9 burden for New York state residents and educators are seeking an expan-
10 sion of financial resources, charitable giving for educational purposes
11 should be encouraged;
12 c. Permitting public education entities such as school districts and
13 individual public schools, including charter schools, to accept and
14 receive voluntary cash contributions will be beneficial to taxpayers and
15 educators;
16 d. Encouraging voluntary support for education, without prejudice for
17 or against any state-sanctioned educational enterprise, promotes the
18 state's interest in providing the highest quality education to all chil-
19 dren in the state;
20 e. The intended beneficiaries of the tax credit provided in this act
21 are the students who attend public schools, including charter schools,
22 students who further their educations using tuition scholarships from

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

LBD00834-04-3

1 educational scholarship organizations, and students who participate in
2 home-based educational programs;

3 f. Permitting school personnel to claim a credit for the purchase of
4 classroom instructional materials and supplies will insure a wider
5 availability of such materials and supplies for all students.

6 S 3. The tax law is amended by adding a new section 39 to read as
7 follows:

8 S 39. EDUCATION INVESTMENT TAX CREDIT. (A) DEFINITIONS. FOR THE
9 PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING
10 MEANINGS:

11 1. "AUTHORIZED CONTRIBUTION" MEANS THE CONTRIBUTION AMOUNT THAT IS
12 LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO THE
13 TAXPAYER.

14 2. "CONTRIBUTION" MEANS A DONATION PAID BY CASH, CHECK, ELECTRONIC
15 FUNDS TRANSFER, DEBIT CARD OR CREDIT CARD THAT IS MADE BY THE TAXPAYER
16 DURING THE TAXABLE YEAR.

17 3. "EDUCATIONAL PROGRAM" MEANS AN ACADEMIC OR SIMILAR PROGRAM OF A
18 PUBLIC SCHOOL THAT ENHANCES THE CURRICULUM OR ACADEMIC PROGRAM OF THE
19 PUBLIC SCHOOL, OR PROVIDES A PRE-KINDERGARTEN PROGRAM TO THE PUBLIC
20 SCHOOL. FOR PURPOSES OF THIS DEFINITION, THE INSTRUCTION, MATERIALS,
21 PROGRAMS AND OTHER ACTIVITIES OFFERED BY OR THROUGH AN EDUCATIONAL
22 PROGRAM MAY INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING FEATURES: (I)
23 INSTRUCTION OR MATERIALS PROMOTING HEALTH, PHYSICAL EDUCATION, AND FAMI-
24 LY AND CONSUMER SCIENCES; LITERARY, PERFORMING AND VISUAL ARTS; MATH-
25 EMATICS, SOCIAL STUDIES, TECHNOLOGY AND SCIENTIFIC ACHIEVEMENT; (II)
26 INSTRUCTION OR PROGRAMMING TO MEET THE EDUCATION NEEDS OF AT-RISK
27 STUDENTS OR STUDENTS WITH DISABILITIES, INCLUDING TUTORING OR COUN-
28 SELING; (III) INSTRUCTION OR PROGRAMMING BEFORE OR AFTER PUBLIC SCHOOL
29 HOURS, OR ON WEEKENDS THAT IMPROVES STUDENT ACADEMIC ACHIEVEMENT INCLUD-
30 ING PREPARATION FOR COLLEGE OR A CAREER; OR (IV) THE USE OF SPECIALIZED
31 INSTRUCTIONAL MATERIALS, INSTRUCTORS OR INSTRUCTION NOT PROVIDED BY A
32 PUBLIC SCHOOL.

33 4. "EDUCATIONAL SCHOLARSHIP ORGANIZATION" MEANS AN ENTITY THAT (I) IS
34 EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION
35 FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) USES AT LEAST NINETY
36 PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE LAST MONTH OF
37 THE IMMEDIATELY PRECEDING CALENDAR YEAR AND THE FIRST ELEVEN MONTHS OF
38 THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS
39 DURING SUCH MONTHS FOR SCHOLARSHIPS, (III) PROVIDES SCHOLARSHIPS WITHOUT
40 LIMITING AVAILABILITY TO ONLY ELIGIBLE PUPILS OF ONE QUALIFIED SCHOOL,
41 (IV) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED
42 FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE
43 ORGANIZATION'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIB-
44 UTIONS OR INCOME ARE WITHDRAWN FOR USE, AND (V) IS APPROVED TO ISSUE
45 CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION
46 LAW.

47 5. "ELIGIBLE PUPIL" MEANS A CHILD WHO IS (I) A RESIDENT OF THIS STATE,
48 (II) OF SCHOOL AGE IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION THIR-
49 TY-TWO HUNDRED TWO OF THE EDUCATION LAW OR WHO IS FOUR YEARS OF AGE ON
50 OR BEFORE DECEMBER FIRST OF THE YEAR IN WHICH SUCH CHILD IS ENROLLED IN
51 A PRE-KINDERGARTEN PROGRAM, AND (III) ATTENDS OR IS ABOUT TO ATTEND A
52 QUALIFIED SCHOOL.

53 6. "LOCAL EDUCATION FUND" MEANS A NOT-FOR-PROFIT ENTITY WHICH (I) IS
54 EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION
55 FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) IS ESTABLISHED FOR
56 THE PURPOSE OF SUPPORTING AT LEAST ONE PUBLIC SCHOOL OR A PUBLIC SCHOOL

1 DISTRICT LOCATED IN THIS STATE, (III) USES AT LEAST NINETY PERCENT OF
2 THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE LAST MONTH OF THE IMME-
3 DIATELY PRECEDING CALENDAR YEAR AND THE FIRST ELEVEN MONTHS OF THE
4 CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING
5 SUCH MONTHS TO SUPPORT THE PUBLIC SCHOOL OR SCHOOLS OR PUBLIC SCHOOL
6 DISTRICT OR DISTRICTS THAT SUCH FUND HAS BEEN ESTABLISHED TO SUPPORT,
7 (IV) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED
8 FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE
9 FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR
10 INCOME ARE WITHDRAWN FOR USE, AND (V) IS APPROVED TO ISSUE CERTIFICATES
11 OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW.

12 7. "NON-PUBLIC SCHOOL" MEANS ANY NOT-FOR-PROFIT PRE-KINDERGARTEN
13 PROGRAM OR ELEMENTARY OR SECONDARY SECTARIAN OR NONSECTARIAN SCHOOL IN
14 THIS STATE, OTHER THAN A PUBLIC SCHOOL, THAT PROVIDES INSTRUCTION AT ONE
15 OR MORE LOCATIONS TO ELIGIBLE PUPILS IN ACCORDANCE WITH SUBDIVISION TWO
16 OF SECTION THIRTY-TWO HUNDRED FOUR OF THE EDUCATION LAW.

17 8. "PUBLIC EDUCATION ENTITY" MEANS (I) A SCHOOL DISTRICT IN THIS
18 STATE, (II) A PUBLIC SCHOOL IN THIS STATE, OR (III) A SCHOOL IMPROVEMENT
19 ORGANIZATION, PROVIDED THAT SUCH SCHOOL DISTRICT, PUBLIC SCHOOL OR
20 SCHOOL IMPROVEMENT ORGANIZATION DEPOSITS AND HOLDS QUALIFIED CONTRIB-
21 UTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT
22 THAT IS SEPARATE FROM THE PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT'S
23 OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME
24 ARE WITHDRAWN FOR USE FROM OPERATING OR OTHER FUNDS AND IS APPROVED TO
25 ISSUE CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE
26 EDUCATION LAW.

27 9. "PUBLIC SCHOOL" MEANS ANY FREE ELEMENTARY OR SECONDARY SCHOOL IN
28 THIS STATE PURSUANT TO ARTICLE ELEVEN OF THE CONSTITUTION, AND A CHARTER
29 SCHOOL AUTHORIZED BY ARTICLE FIFTY-SIX OF THE EDUCATION LAW.

30 10. "QUALIFIED CONTRIBUTION" MEANS THE AUTHORIZED CONTRIBUTION MADE BY
31 A TAXPAYER TO A PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCA-
32 TIONAL SCHOLARSHIP ORGANIZATION LISTED IN THE CONTRIBUTION AUTHORIZATION
33 CERTIFICATE ISSUED TO THE TAXPAYER FOR WHICH THE TAXPAYER HAS RECEIVED A
34 CERTIFICATE OF RECEIPT FROM SUCH ENTITY, FUND OR ORGANIZATION.

35 11. "QUALIFIED EDUCATOR" MEANS AN INDIVIDUAL WHO IS A TEACHER,
36 INSTRUCTOR, COUNSELOR, PRINCIPAL, OR AIDE IN A QUALIFIED SCHOOL FOR AT
37 LEAST NINE HUNDRED HOURS DURING A SCHOOL YEAR.

38 12. "QUALIFIED SCHOOL" MEANS A PUBLIC SCHOOL OR NON-PUBLIC SCHOOL
39 LOCATED IN THIS STATE.

40 13. "SCHOLARSHIP" MEANS AN EDUCATIONAL SCHOLARSHIP OR TUITION GRANT
41 AWARDED TO AN ELIGIBLE PUPIL TO ATTEND A QUALIFIED SCHOOL OF THEIR
42 PARENTS' CHOICE IN AN AMOUNT NOT TO EXCEED THE TUITION NECESSARY TO
43 ATTEND SUCH SCHOOL; PROVIDED, HOWEVER, IN THE CASE OF AN ELIGIBLE PUPIL
44 ATTENDING A PUBLIC SCHOOL IN A DISTRICT OF WHICH SUCH PUPIL IS NOT A
45 RESIDENT, THE AMOUNT OF THE EDUCATIONAL SCHOLARSHIP OR TUITION GRANT
46 AWARDED MAY NOT EXCEED THE TUITION CHARGED BY THE PUBLIC SCHOOL PURSUANT
47 TO PARAGRAPH D OF SUBDIVISION FOUR OF SECTION THIRTY-TWO HUNDRED TWO OF
48 THE EDUCATION LAW, BUT ONLY IF THE SCHOOL DISTRICT OF WHICH SUCH PUPIL
49 IS A RESIDENT IS NOT REQUIRED TO PAY FOR SUCH TUITION.

50 14. "SCHOOL IMPROVEMENT ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTITY
51 WHICH (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION
52 (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) USES
53 AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING
54 THE LAST MONTH OF THE IMMEDIATELY PRECEDING CALENDAR YEAR AND THE FIRST
55 ELEVEN MONTHS OF THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED
56 CONTRIBUTIONS DURING SUCH MONTHS TO ASSIST PUBLIC SCHOOLS OR PUBLIC

1 SCHOOL DISTRICTS LOCATED IN THIS STATE IN THEIR PROVISION OF EDUCATIONAL
2 PROGRAMS, EITHER BY MAKING CONTRIBUTIONS TO ONE OR MORE PUBLIC SCHOOLS
3 OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE OR PROVIDING EDUCA-
4 TIONAL PROGRAMS TO, OR IN CONJUNCTION WITH, ONE OR MORE PUBLIC SCHOOLS
5 OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE, (III) DEPOSITS AND
6 HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED
7 CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S
8 OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME
9 ARE WITHDRAWN FOR USE, AND (IV) IS APPROVED TO ISSUE CERTIFICATES OF
10 RECEIPT PURSUANT TO, ARTICLE TWENTY-FIVE OF THE EDUCATION LAW. SUCH TERM
11 INCLUDES A PRE-KINDERGARTEN PROGRAM OR NOT-FOR-PROFIT ENTITY THAT ALLOWS
12 THE TAXPAYER TO CHOOSE TO DONATE TO A PROGRAM, PROJECT OR INITIATIVE
13 IDENTIFIED BY A QUALIFIED EDUCATOR FOR USE IN A PUBLIC SCHOOL.

14 (B) ALLOWANCE OF CREDIT. A TAXPAYER SUBJECT TO TAX UNDER ARTICLE
15 NINE-A, TWENTY-TWO, THIRTY-TWO, OR THIRTY-THREE OF THIS CHAPTER SHALL BE
16 ALLOWED AN EDUCATION INVESTMENT TAX CREDIT AGAINST SUCH TAX, PURSUANT TO
17 THE PROVISIONS REFERENCED IN SUBDIVISION (M) OF THIS SECTION, WITH
18 RESPECT TO QUALIFIED CONTRIBUTIONS FOR WHICH THE APPLICATION REQUIRE-
19 MENTS OF SUBDIVISION (F) AND THE CERTIFICATION REQUIREMENTS OF SUBDIVI-
20 SIONS (G) AND (H) OF THIS SECTION HAVE BEEN MET; PROVIDED, HOWEVER, THAT
21 IF THE TAXPAYER CLAIMED A DEDUCTION PURSUANT TO SECTION ONE HUNDRED
22 SEVENTY OF THIS CHAPTER FOR SUCH QUALIFIED CONTRIBUTIONS, THE TAXPAYER
23 SHALL NOT BE ALLOWED TO CLAIM BOTH A CREDIT AND A DEDUCTION FOR SUCH
24 QUALIFIED CONTRIBUTIONS. THE COMMISSIONER SHALL MAINTAIN A LIST OF THE
25 PUBLIC EDUCATION ENTITIES, LOCAL EDUCATION FUNDS AND EDUCATIONAL SCHOL-
26 ARSHIP ORGANIZATIONS THAT ARE AUTHORIZED TO ISSUE CERTIFICATES OF
27 RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW.

28 (C) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL EQUAL THE SUM OF
29 THE CREDIT COMPONENTS SPECIFIED IN PARAGRAPHS ONE, TWO AND THREE OF
30 SUBDIVISION (D) OF THIS SECTION FOR THE TAXABLE YEAR; PROVIDED, HOWEVER,
31 THAT THE AMOUNT OF CREDIT FOR QUALIFIED CONTRIBUTIONS SHALL NOT EXCEED
32 THE LESSER OF (I) THE SUM OF SUCH CREDIT COMPONENTS, (II) THE TAXPAYER'S
33 TAX LIABILITY FOR THE IMMEDIATELY PRECEDING TAXABLE YEAR, OR (III) THE
34 CREDIT LIMITATION PRESCRIBED BY SUBDIVISION (I) OF THIS SECTION. WHEN A
35 QUALIFIED CONTRIBUTION IS MADE BY A PARTNERSHIP, ANY DIRECT OR INDIRECT
36 PARTNER IN SUCH PARTNERSHIP WHO OR WHICH IS TAXABLE UNDER ARTICLE
37 NINE-A, TWENTY-TWO, THIRTY-TWO OR THIRTY-THREE OF THIS CHAPTER SHALL BE
38 A TAXPAYER UNDER THIS PARAGRAPH AND ALLOWED A PRO RATA SHARE OF THE
39 CREDIT AGAINST SUCH TAX. WHEN A QUALIFIED CONTRIBUTION IS MADE BY A NEW
40 YORK S CORPORATION, ANY SHAREHOLDER IN SUCH NEW YORK S CORPORATION WHO
41 IS TAXABLE UNDER ARTICLE TWENTY-TWO OF THIS CHAPTER SHALL BE A TAXPAYER
42 UNDER THIS PARAGRAPH AND ALLOWED A PRO RATA SHARE OF THE CREDIT AGAINST
43 SUCH TAX.

44 (D) CREDIT COMPONENTS. 1. PUBLIC EDUCATION ENTITY CREDIT COMPONENT.
45 THE PUBLIC EDUCATION ENTITY CREDIT COMPONENT SHALL EQUAL THE SUM OF THE
46 QUALIFIED CONTRIBUTIONS MADE TO A PUBLIC EDUCATION ENTITY OR ENTITIES BY
47 THE TAXPAYER DURING THE TAXABLE YEAR, AS LISTED ON THE CERTIFICATE OR
48 CERTIFICATES OF RECEIPT PROVIDED TO THE TAXPAYER, FOR WHICH THE TAXPAYER
49 HAS RECEIVED A CONTRIBUTION AUTHORIZATION CERTIFICATE; PROVIDED, HOWEV-
50 ER, THAT A TAXPAYER SHALL NOT BE ALLOWED CREDIT FOR ANY QUALIFIED
51 CONTRIBUTIONS THAT ARE FOR THE DIRECT BENEFIT OF ANY PARTICULAR STUDENT;
52 AND, PROVIDED FURTHER THAT THE TAXPAYER SHALL NOT BE ALLOWED CREDIT FOR
53 QUALIFIED CONTRIBUTIONS FOR WHICH THE TAXPAYER CLAIMED A FEDERAL ITEM-
54 IZED DEDUCTION UNLESS THE TAXPAYER ADDS BACK THE AMOUNT OF THE ITEMIZED
55 DEDUCTION PURSUANT TO SECTION TWO HUNDRED EIGHT, SIX HUNDRED TWELVE,
56 FOURTEEN HUNDRED FIFTY-THREE OR FIFTEEN HUNDRED THREE OF THIS CHAPTER.

1 2. LOCAL EDUCATION FUND CREDIT COMPONENT. THE LOCAL EDUCATION FUND
2 CREDIT COMPONENT SHALL EQUAL THE SUM OF THE QUALIFIED CONTRIBUTIONS MADE
3 TO A LOCAL EDUCATION FUND OR FUNDS BY THE TAXPAYER DURING THE TAXABLE
4 YEAR, AS LISTED ON THE CERTIFICATE OR CERTIFICATES OF RECEIPT PROVIDED
5 TO THE TAXPAYER, FOR WHICH THE TAXPAYER HAS RECEIVED A CONTRIBUTION
6 AUTHORIZATION CERTIFICATE; PROVIDED, HOWEVER, THAT A TAXPAYER SHALL NOT
7 BE ALLOWED CREDIT FOR ANY QUALIFIED CONTRIBUTIONS THAT ARE FOR THE
8 DIRECT BENEFIT OF ANY PARTICULAR STUDENT; AND, PROVIDED FURTHER THAT THE
9 TAXPAYER SHALL NOT BE ALLOWED CREDIT FOR QUALIFIED CONTRIBUTIONS FOR
10 WHICH THE TAXPAYER CLAIMED A FEDERAL ITEMIZED DEDUCTION UNLESS THE
11 TAXPAYER ADDS BACK THE AMOUNT OF THE ITEMIZED DEDUCTION PURSUANT TO
12 SECTION TWO HUNDRED EIGHT, SIX HUNDRED TWELVE, FOURTEEN HUNDRED
13 FIFTY-THREE OR FIFTEEN HUNDRED THREE OF THIS CHAPTER.

14 3. EDUCATIONAL SCHOLARSHIP ORGANIZATION CREDIT COMPONENT. THE EDUCA-
15 TIONAL SCHOLARSHIP ORGANIZATION CREDIT COMPONENT SHALL BE THE SUM OF
16 QUALIFIED CONTRIBUTIONS MADE TO AN EDUCATIONAL SCHOLARSHIP ORGANIZATION
17 OR ORGANIZATIONS BY THE TAXPAYER DURING THE TAXABLE YEAR, AS LISTED ON
18 THE CERTIFICATE OR CERTIFICATES OF RECEIPT PROVIDED TO THE TAXPAYER, FOR
19 WHICH THE TAXPAYER HAS RECEIVED A CONTRIBUTION AUTHORIZATION CERTIF-
20 ICATE; PROVIDED, HOWEVER, THAT A TAXPAYER SHALL NOT BE ALLOWED CREDIT
21 FOR ANY QUALIFIED CONTRIBUTIONS THAT ARE FOR THE DIRECT BENEFIT OF ANY
22 PARTICULAR STUDENT; AND, PROVIDED FURTHER THAT THE TAXPAYER SHALL NOT BE
23 ALLOWED CREDIT FOR QUALIFIED CONTRIBUTIONS FOR WHICH THE TAXPAYER
24 CLAIMED A FEDERAL ITEMIZED DEDUCTION UNLESS THE TAXPAYER ADDS BACK THE
25 AMOUNT OF THE ITEMIZED DEDUCTION PURSUANT TO SECTION TWO HUNDRED EIGHT,
26 SIX HUNDRED TWELVE, FOURTEEN HUNDRED FIFTY-THREE OR FIFTEEN HUNDRED
27 THREE OF THIS CHAPTER.

28 (E) CONTRIBUTION AUTHORIZATION CERTIFICATE; REQUIREMENT. A TAXPAYER
29 SHALL NOT BE ALLOWED A CREDIT PURSUANT TO THIS SECTION FOR ANY CONTRIB-
30 UTION TO A PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL
31 SCHOLARSHIP ORGANIZATION THAT WAS MADE PRIOR TO THE DEPARTMENT'S ISSU-
32 ANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE FOR SUCH CONTRIBUTION
33 TO THE TAXPAYER. A TAXPAYER MAY BE ISSUED MULTIPLE CONTRIBUTION AUTHORI-
34 ZATION CERTIFICATES BY THE DEPARTMENT, PROVIDED THAT THE TAXPAYER MAKES
35 AN APPLICATION FOR EACH SUCH CERTIFICATE.

36 (F) APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES. PRIOR TO
37 MAKING A CONTRIBUTION TO A PUBLIC EDUCATION ENTITY, LOCAL EDUCATION
38 FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION, THE TAXPAYER SHALL APPLY
39 FOR A CONTRIBUTION AUTHORIZATION CERTIFICATE FOR SUCH CONTRIBUTION.
40 TAXPAYERS THAT WANT TO MAKE MORE THAN ONE CONTRIBUTION TO A PUBLIC
41 EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP
42 ORGANIZATION OR CONTRIBUTE TO MORE THAN ONE PUBLIC EDUCATION ENTITY,
43 LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION, MUST MAKE
44 A SEPARATE APPLICATION FOR EACH SUCH CONTRIBUTION AUTHORIZATION CERTIF-
45 ICATE. SUCH APPLICATION SHALL BE IN THE FORM AND MANNER PRESCRIBED BY
46 THE DEPARTMENT, PROVIDED THAT SUCH APPLICATION INCLUDES (I) THE TAXPAY-
47 ER'S NAME AND ADDRESS, (II) THE NAME AND ADDRESS OF EACH PUBLIC EDUCA-
48 TION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZA-
49 TION THAT WILL RECEIVE A CONTRIBUTION FROM THE TAXPAYER, (III) THE
50 AMOUNT THAT THE TAXPAYER WILL CONTRIBUTE TO SUCH ENTITY, FUND OR ORGAN-
51 IZATION, AND (IV) ANY OTHER INFORMATION THAT THE COMMISSIONER DEEMS
52 NECESSARY; PROVIDED, HOWEVER, THAT THE AGGREGATE AMOUNT OF CREDIT FOR
53 WHICH A TAXPAYER MAY APPLY CANNOT EXCEED THE LESSER OF SEVENTY-FIVE
54 PERCENT OF THE TAXPAYER'S LIABILITY FOR THE TAXABLE YEAR IMMEDIATELY
55 PRECEDING THE YEAR FOR WHICH THE TAXPAYER IS MAKING THE APPLICATION FOR
56 A CREDIT AUTHORIZATION CERTIFICATE OR FIVE PERCENT OF THE CREDIT CAP SET

FORTH IN SUBDIVISION (J) OF THIS SECTION. THE DEPARTMENT MAY ALLOW TAXPAYERS TO MAKE MULTIPLE APPLICATIONS ON THE SAME FORM, PROVIDED THAT EACH APPLICATION SHALL BE TREATED AS A SEPARATE APPLICATION.

(G) CONTRIBUTION AUTHORIZATION CERTIFICATES. 1. ISSUANCE OF CERTIFICATES. THE COMMISSIONER SHALL ISSUE CONTRIBUTION AUTHORIZATION CERTIFICATES IN TWO PHASES. IN PHASE ONE, WHICH BEGINS ON THE FIRST DAY OF JANUARY AND ENDS ON THE FOURTEENTH DAY OF JANUARY, THE COMMISSIONER SHALL NOT ISSUE ANY CREDIT AUTHORIZATION CERTIFICATES. AFTER THE FIFTEENTH DAY OF JANUARY, THE COMMISSIONER SHALL ISSUE CREDIT AUTHORIZATION CERTIFICATES FOR APPLICATIONS RECEIVED DURING PHASE ONE, PROVIDED THAT IF THE AGGREGATE TOTAL OF THE AUTHORIZED CONTRIBUTIONS FOR WHICH APPLICATIONS HAVE BEEN FILED DURING PHASE ONE EXCEEDS THE AMOUNT OF CREDIT AVAILABLE, THE AUTHORIZED CONTRIBUTION AMOUNT LISTED IN EACH CREDIT AUTHORIZATION CERTIFICATE SHALL EQUAL THE PRO-RATA SHARE OF THE AVAILABLE CREDIT. IN PHASE TWO, THE COMMISSIONER SHALL ISSUE CREDIT AUTHORIZATION CERTIFICATES ON A FIRST-COME FIRST SERVE BASIS BASED UPON THE DATE THAT THE DEPARTMENT RECEIVED THE TAXPAYER'S APPLICATION FOR SUCH CERTIFICATE; PROVIDED, HOWEVER, THAT IF ON ANY DAY THE DEPARTMENT RECEIVES APPLICATIONS FOR WHICH THE AGGREGATE TOTAL OF THE AUTHORIZED CREDIT SOUGHT IN SUCH APPLICATIONS EXCEEDS THE AMOUNT OF CREDIT AVAILABLE ON SUCH DAY, THE AUTHORIZED CONTRIBUTION AMOUNT LISTED IN EACH CREDIT AUTHORIZATION CERTIFICATE SHALL BE THE TAXPAYER'S PRO-RATA SHARE OF THE AVAILABLE CREDIT. FOR PURPOSES OF DETERMINING A TAXPAYER'S PRO-RATA SHARE OF AVAILABLE CREDIT, THE COMMISSIONER SHALL MULTIPLY THE AMOUNT OF AVAILABLE CREDIT BY A FRACTION, THE NUMERATOR OF WHICH EQUALS THE AUTHORIZED CREDIT AMOUNT LISTED ON THE TAXPAYER'S APPLICATION AND THE DENOMINATOR OF WHICH EQUALS THE AGGREGATE AMOUNT OF AUTHORIZED CREDIT SOUGHT IN ALL OF THE AFFECTED APPLICATIONS.

2. CONTRIBUTION AUTHORIZATION CERTIFICATE LIMITS. A TAXPAYER'S AGGREGATE AUTHORIZED CONTRIBUTION AMOUNT AS LISTED ON ONE OR MORE AUTHORIZED CONTRIBUTION CERTIFICATES ISSUED TO THE TAXPAYER, SHALL NOT EXCEED THE LESSER OF (I) SEVENTY-FIVE PERCENT OF SUCH TAXPAYER'S TAX LIABILITY FOR THE IMMEDIATELY PRECEDING TAXABLE YEAR, (II) FIVE PERCENT OF THE CREDIT CAP SET FORTH IN SUBDIVISION (J) OF THIS SECTION FOR THE CALENDAR YEAR, OR (III) THE AGGREGATE OF THE AMOUNTS LISTED ON THE TAXPAYER'S APPLICATIONS SUBMITTED IN ACCORDANCE WITH SUBDIVISION (F) OF THIS SECTION.

3. CONTRIBUTION AUTHORIZATION CERTIFICATE CONTENTS. EACH CONTRIBUTION AUTHORIZATION CERTIFICATE SHALL STATE (I) THE DATE SUCH CERTIFICATE WAS ISSUED, (II) THE DATE BY WHICH THE AUTHORIZED CONTRIBUTIONS LISTED IN THE CERTIFICATE MUST BE MADE, WHICH SHALL BE SIXTY DAYS FROM THE DATE OF THE ISSUANCE OF CREDIT AUTHORIZATION CERTIFICATE, (III) THE TAXABLE YEAR FOR WHICH CREDIT MAY BE CLAIMED BY THE TAXPAYER, (IV) THE TOTAL AMOUNT OF AUTHORIZED CONTRIBUTIONS, (V) THE NAME AND ADDRESS OF THE EDUCATIONAL SCHOLARSHIP ORGANIZATION, PUBLIC EDUCATION ENTITY OR LOCAL EDUCATION FUND TO WHICH THE TAXPAYER MAY MAKE AN AUTHORIZED CONTRIBUTION AND THE AMOUNT OF SUCH AUTHORIZED CONTRIBUTION, AND (VI) ANY OTHER INFORMATION THAT THE COMMISSIONER DEEMS NECESSARY. ISSUED CREDIT AUTHORIZATION CERTIFICATES SHALL BE MAILED TO THE APPROPRIATE TAXPAYERS WITHIN THREE BUSINESS DAYS OF THEIR ISSUANCE.

4. NOTIFICATION OF THE ISSUANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE. WITHIN FIFTEEN DAYS OF THE ISSUANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE, THE COMMISSIONER SHALL NOTIFY THE EDUCATIONAL SCHOLARSHIP ORGANIZATION, PUBLIC EDUCATION ENTITY, OR LOCAL EDUCATION FUND OF THE ISSUANCE OF THE CONTRIBUTION AUTHORIZATION CERTIFICATE TO THE TAXPAYER. SUCH NOTIFICATION SHALL INCLUDE (I) THE TAXPAYER'S NAME AND ADDRESS, (II) THE DATE SUCH CERTIFICATE WAS ISSUED, (III) THE DATE

1 BY WHICH THE AUTHORIZED CONTRIBUTION LISTED IN THE NOTIFICATION MUST BE
2 CONTRIBUTED, (IV) THE AMOUNT OF THE AUTHORIZED CONTRIBUTION, AND (V) ANY
3 OTHER INFORMATION THAT THE COMMISSIONER DEEMS NECESSARY.

4 5. DISCLOSURE OF REMAINING CREDIT AVAILABLE. THE COMMISSIONER SHALL
5 MAINTAIN ON THE DEPARTMENT'S WEBSITE A RUNNING TOTAL OF THE AMOUNT OF
6 CREDITS FOR WHICH TAXPAYERS MAY MAKE APPLICATION FOR CONTRIBUTION
7 AUTHORIZATION CERTIFICATION. SUCH RUNNING TOTAL SHALL BE UPDATED ON A
8 DAILY BASIS.

9 (H) CERTIFICATE OF RECEIPT. 1. IN GENERAL. NO PUBLIC EDUCATION ENTITY,
10 LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL
11 ISSUE A CERTIFICATE OF RECEIPT FOR ANY CONTRIBUTION MADE BY A TAXPAYER
12 UNLESS SUCH PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCA-
13 TIONAL SCHOLARSHIP ORGANIZATION HAS BEEN APPROVED TO ISSUE CERTIFICATES
14 OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW. NO
15 PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLAR-
16 SHIP ORGANIZATION SHALL ISSUE A CERTIFICATE OF RECEIPT FOR A CONTRIB-
17 UTION MADE BY A TAXPAYER UNLESS SUCH PUBLIC EDUCATION ENTITY, LOCAL
18 EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION HAS RECEIVED
19 NOTICE FROM THE DEPARTMENT THAT THE DEPARTMENT ISSUED A CREDIT AUTHORI-
20 ZATION CERTIFICATE TO THE TAXPAYER FOR SUCH CONTRIBUTION.

21 2. TIMELY CONTRIBUTION. IF A TAXPAYER MAKES A CONTRIBUTION TO THE
22 PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLAR-
23 SHIP ORGANIZATION SET FORTH ON THE CREDIT AUTHORIZATION CERTIFICATE
24 ISSUED TO THE TAXPAYER BY THE DEPARTMENT PRIOR TO THE DATE BY WHICH SUCH
25 AUTHORIZED CONTRIBUTION SHALL BE MADE, SUCH PUBLIC EDUCATION ENTITY,
26 LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL,
27 WITHIN THIRTY DAYS OF RECEIPT OF THE AUTHORIZED CONTRIBUTION, ISSUE TO
28 THE TAXPAYER A WRITTEN CERTIFICATE OF RECEIPT; PROVIDED, HOWEVER, THAT
29 THE AMOUNT OF THE QUALIFIED CONTRIBUTION LISTED ON SUCH CERTIFICATE OF
30 RECEIPT SHALL NOT EXCEED THE LESSER OF THE AUTHORIZED CONTRIBUTION
31 AMOUNT OR THE AMOUNT OF THE CONTRIBUTION; AND PROVIDED, FURTHER, THAT IF
32 THE TAXPAYER HAS BEEN ISSUED MORE THAN ONE CREDIT AUTHORIZATION CERTIF-
33 ICATE FOR SUCH CONTRIBUTIONS, THE AMOUNT OF THE QUALIFIED CONTRIBUTION
34 LISTED ON SUCH CERTIFICATE OF RECEIPT SHALL NOT EXCEED THE LESSER OF THE
35 AGGREGATE OF THE AMOUNT OF THE AUTHORIZED CONTRIBUTIONS OR THE AMOUNT OF
36 CONTRIBUTIONS.

37 3. UNTIMELY CONTRIBUTION. IF A TAXPAYER FAILS TO MAKE A CONTRIBUTION
38 TO THE PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL
39 SCHOLARSHIP ORGANIZATION LISTED IN THE AUTHORIZED CONTRIBUTION CERTIF-
40 ICATE ISSUED TO THE TAXPAYER IN AN AMOUNT EQUAL TO THE AUTHORIZED
41 CONTRIBUTION AMOUNT LISTED IN SUCH CERTIFICATE PRIOR TO THE DATE BY
42 WHICH SUCH AUTHORIZED CONTRIBUTION IS REQUIRED TO BE MADE, THE TAXPAYER
43 SHALL NOT BE ENTITLED TO A CERTIFICATE OF RECEIPT.

44 4. CERTIFICATE OF RECEIPT CONTENTS. EACH CERTIFICATE OF RECEIPT SHALL
45 STATE (I) THE NAME AND ADDRESS OF THE ISSUING PUBLIC EDUCATION ENTITY,
46 LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION, (II) THE
47 TAXPAYER'S NAME AND ADDRESS, (III) THE DATE FOR EACH QUALIFIED CONTRIB-
48 UTION, (IV) THE AMOUNT OF EACH QUALIFIED CONTRIBUTION, (V) THE TOTAL
49 QUALIFIED CONTRIBUTION AMOUNT, AND (VI) ANY OTHER INFORMATION THAT THE
50 COMMISSIONER MAY DEEM NECESSARY.

51 5. NOTIFICATION TO THE DEPARTMENT FOR THE ISSUANCE OF A CERTIFICATE OF
52 RECEIPT. UPON THE ISSUANCE OF A CERTIFICATE OF RECEIPT, THE ISSUING
53 PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLAR-
54 SHIP ORGANIZATION SHALL, WITHIN THIRTY DAYS IF ISSUING THE CERTIFICATE
55 OF RECEIPT, PROVIDE THE DEPARTMENT WITH NOTIFICATION OF THE ISSUANCE OF
56 SUCH CERTIFICATE IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT,

1 PROVIDED THAT SUCH NOTIFICATION SHALL INCLUDE (I) THE TAXPAYER'S NAME
2 AND ADDRESS, (II) THE DATE OF THE ISSUANCE OF A CERTIFICATE OF RECEIPT,
3 (III) THE QUALIFIED CONTRIBUTION DATE OR DATES AND THE AMOUNTS CONTRIB-
4 UTED ON SUCH DATES, (IV) THE TOTAL QUALIFIED CONTRIBUTION LISTED ON SUCH
5 CERTIFICATE, (V) THE ISSUING PUBLIC EDUCATION ENTITY, LOCAL EDUCATION
6 FUND OR EDUCATIONAL SCHOLARSHIP ORGANIZATION'S NAME AND ADDRESS, AND
7 (VI) ANY OTHER INFORMATION THAT THE COMMISSIONER MAY DEEM NECESSARY.

8 6. NOTIFICATION TO THE DEPARTMENT OF THE NON-ISSUANCE OF A CERTIFICATE
9 OF RECEIPT. EACH PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR
10 EDUCATIONAL SCHOLARSHIP ORGANIZATION THAT RECEIVED NOTIFICATION FROM THE
11 DEPARTMENT PURSUANT TO SUBDIVISION (G) OF THIS SECTION REGARDING THE
12 ISSUANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE TO A TAXPAYER
13 SHALL, WITHIN THIRTY DAYS OF THE EXPIRATION DATE FOR SUCH AUTHORIZED
14 CONTRIBUTION, PROVIDE NOTIFICATION TO THE DEPARTMENT FOR EACH TAXPAYER
15 THAT FAILED, IN WHOLE OR IN PART, TO MAKE THE AUTHORIZED CONTRIBUTION TO
16 SUCH PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT; PROVIDED THAT SUCH NOTIFICATION SHALL INCLUDE (I) THE TAXPAYER'S
17 NAME AND ADDRESS, (II) THE DATE THAT THE CONTRIBUTION AUTHORIZATION
18 CERTIFICATE WAS ISSUED, (III) THE AUTHORIZED CONTRIBUTION AMOUNT SET
19 FORTH ON SUCH CERTIFICATE, (IV) THE AMOUNT OF ANY QUALIFIED CONTRIBUTION
20 MADE BY THE TAXPAYER, (V) THE AMOUNT OF THE AUTHORIZED CONTRIBUTION FOR
21 WHICH THE TAXPAYER DID NOT MAKE A CONTRIBUTION, (VI) THE PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION'S NAME AND ADDRESS, AND (VII) ANY OTHER INFORMATION THAT THE
22 COMMISSIONER MAY DEEM NECESSARY.

23 7. ANY AMOUNTS FOR WHICH THE DEPARTMENT RECEIVES NOTIFICATION OF NON-
24 ISSUANCE OF A CERTIFICATE OF RECEIPT SHALL BE ADDED TO THE CAP
25 PRESCRIBED IN SUBDIVISION (J) OF THIS SECTION FOR THE IMMEDIATELY
26 FOLLOWING YEAR.

27 (I) CREDIT LIMITATION. THE MAXIMUM AMOUNT OF CREDIT THAT A TAXPAYER
28 MAY CLAIM FOR A TAXABLE YEAR SHALL NOT EXCEED THE LESSER OF (I) SEVEN-
29 TY-FIVE PERCENT OF THE TAXPAYER'S TAX DUE FOR THE TAXABLE YEAR, AFTER
30 APPLICATION OF ANY OTHER ALLOWABLE CREDITS BY THE TAXPAYER, (II) FIVE
31 PERCENT OF THE CREDIT CAP SET FORTH IN SUBDIVISION (J) OF THIS SECTION
32 FOR THE CALENDAR YEAR, OR (III) THE AGGREGATE AMOUNT OF THE TAXPAYER'S
33 AUTHORIZED CONTRIBUTIONS THAT ARE LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATES ISSUED TO THE TAXPAYER FOR THE TAXABLE YEAR PLUS ANY
34 AMOUNT OF CREDIT CARRIED FROM A PRECEDING TAXABLE YEAR. ANY CREDIT IN
35 EXCESS OF THIS LIMITATION MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR
36 YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR
37 YEARS.

38 (J) CREDIT CAP. THE MAXIMUM PERMITTED CREDITS UNDER THIS SECTION
39 AVAILABLE TO ALL TAXPAYERS FOR QUALIFIED CONTRIBUTIONS TO PUBLIC EDUCATION ENTITIES, LOCAL EDUCATION FUNDS, AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS FOR CALENDAR YEAR TWO THOUSAND FOURTEEN SHALL BE TWO HUNDRED
40 FIFTY MILLION DOLLARS. IN CALENDAR YEAR TWO THOUSAND FIFTEEN AND THEREAFTER, THE MAXIMUM PERMITTED CREDITS UNDER THIS SECTION AVAILABLE TO ALL
41 TAXPAYERS SHALL BE THREE HUNDRED MILLION, PLUS ANY AMOUNTS THAT ARE
42 REQUIRED TO BE ADDED TO THE CAP PURSUANT TO THIS SUBDIVISION. THE MAXIMUM PERMITTED CREDITS UNDER THIS SECTION FOR QUALIFIED CONTRIBUTIONS
43 SHALL BE ALLOCATED FIFTY PERCENT TO PUBLIC EDUCATION ENTITIES AND LOCAL
44 EDUCATION FUNDS AND FIFTY PERCENT TO EDUCATIONAL SCHOLARSHIP ORGANIZATIONS.

45 (K) OTHER REQUIREMENTS; MISCELLANEOUS. (1) RECORD KEEPING. EACH
46 TAXPAYER SHALL, FOR EACH TAXABLE YEAR FOR WHICH THE EDUCATION INVESTMENT

1 TAX CREDIT PROVIDED FOR UNDER THIS SECTION IS CLAIMED, MAINTAIN RECORDS
2 OF THE FOLLOWING INFORMATION: (I) CONTRIBUTION AUTHORIZATION CERTIF-
3 ICATES OBTAINED PURSUANT TO SUBDIVISION (G) OF THIS SECTION, AND (II)
4 CERTIFICATES OF RECEIPT OBTAINED PURSUANT TO SUBDIVISION (H) OF THIS
5 SECTION.

6 (2) REGULATIONS. THE COMMISSIONER IS HEREBY AUTHORIZED TO PROMULGATE
7 AND ADOPT ON AN EMERGENCY BASIS REGULATIONS NECESSARY FOR THE IMPLEMEN-
8 TATION OF THIS SECTION. SUCH REGULATIONS SHALL CONSTRUER THE PROVISIONS
9 OF THIS SECTION IN SUCH A MANNER AS TO ENCOURAGE QUALIFIED CONTRIB-
10 UCTIONS, PROVIDED THAT SUCH REGULATIONS SHALL NOT IMPOSE ANY NEW REQUIRE-
11 MENT OR BURDEN ON THE EDUCATIONAL PROGRAM, INSTRUCTION, OR ACTIVITIES OF
12 A PUBLIC OR NON-PUBLIC SCHOOL.

13 (L) REPORTS. (1) REPORTS TO THE COMMISSIONER. ON OR BEFORE THE LAST
14 DAY OF FEBRUARY FOR EACH CALENDAR YEAR, EACH PUBLIC EDUCATION ENTITY,
15 LOCAL EDUCATION FUND, AND EDUCATIONAL SCHOLARSHIP ORGANIZATION THAT
16 ISSUED ONE OR MORE CERTIFICATES OF RECEIPT SHALL REPORT TO THE COMMIS-
17 SIONER THE NUMBER OF SUCH CERTIFICATES ISSUED AND THE AGGREGATE AMOUNT
18 OF QUALIFIED CONTRIBUTIONS MADE TO SUCH ENTITY, FUND, OR ORGANIZATION
19 DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR.

20 (2) JOINT ANNUAL REPORT. ON OR BEFORE THE LAST DAY OF MAY FOR EACH
21 CALENDAR YEAR, FOR THE IMMEDIATELY PRECEDING YEAR, THE COMMISSIONER AND
22 THE COMMISSIONER OF EDUCATION SHALL JOINTLY SUBMIT A WRITTEN REPORT TO
23 THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE
24 ASSEMBLY, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN
25 OF THE ASSEMBLY WAYS AND MEANS COMMITTEE REGARDING THE CREDIT. SUCH
26 REPORT SHALL CONTAIN STATISTICAL INFORMATION, BY TAX TYPE, REGARDING THE
27 NUMBER OF APPLICATIONS RECEIVED, THE NUMBER OF CONTRIBUTION AUTHORI-
28 ZATION CERTIFICATES ISSUED FOR CONTRIBUTIONS TO PUBLIC EDUCATION ENTI-
29 TIES AND QUALIFIED LOCAL EDUCATION FUNDS, THE NUMBER OF CONTRIBUTION
30 AUTHORIZATION CERTIFICATES ISSUED FOR AUTHORIZED CONTRIBUTIONS TO QUALI-
31 FIED SCHOLARSHIP ORGANIZATIONS, THE AGGREGATE AMOUNT OF AUTHORIZED
32 CONTRIBUTIONS FOR PUBLIC EDUCATION ENTITIES AND QUALIFIED LOCAL EDUCA-
33 TION FUNDS, THE AGGREGATE AMOUNT OF AUTHORIZED CONTRIBUTIONS FOR EDUCA-
34 TIONAL SCHOLARSHIP ORGANIZATIONS, THE GEOGRAPHICAL DISTRIBUTION BY COUN-
35 TY OF THE APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES, THE
36 GEOGRAPHICAL DISTRIBUTION BY COUNTY OF PUBLIC EDUCATION ENTITIES, LOCAL
37 EDUCATION FUNDS, AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS FOR WHICH
38 CONTRIBUTION AUTHORIZATION CERTIFICATES WERE ISSUED; INFORMATION,
39 INCLUDING GEOGRAPHICAL DISTRIBUTION BY COUNTY, OF THE NUMBER OF ELIGIBLE
40 PUPILS THAT RECEIVED SCHOLARSHIPS, THE NUMBER OF QUALIFIED SCHOOLS
41 ATTENDED BY ELIGIBLE PUPILS THAT RECEIVED SUCH SCHOLARSHIPS, AND THE
42 AVERAGE VALUE OF SCHOLARSHIPS RECEIVED BY SUCH ELIGIBLE PUPILS. THE
43 COMMISSIONER AND DESIGNATED EMPLOYEES OF THE DEPARTMENT, THE BOARD OF
44 REGENTS AND ALL MEMBERS OF THE BOARD OF REGENTS, INCLUDING THE COMMIS-
45 SIONER OF EDUCATION AND DESIGNATED EMPLOYEES OF THE DEPARTMENT OF EDUCA-
46 TION, SHALL BE ALLOWED AND ARE DIRECTED TO SHARE AND EXCHANGE INFORMA-
47 TION REGARDING THE CREDITS APPLIED FOR, ALLOWED OR CLAIMED PURSUANT TO
48 THIS SECTION; THE TAXPAYERS WHO ARE APPLYING FOR CREDITS OR WHO ARE
49 CLAIMING CREDITS, INCLUDING INFORMATION CONTAINED IN OR DERIVED FROM
50 CREDIT CLAIM FORMS SUBMITTED TO THE DEPARTMENT; AND THE PUBLIC EDUCATION
51 ENTITIES, LOCAL EDUCATION FUNDS AND EDUCATIONAL SCHOLARSHIP ORGANIZA-
52 TIONS THAT APPLIED FOR APPROVAL TO BE AUTHORIZED TO RECEIVE QUALIFIED
53 CONTRIBUTIONS AND WHO WERE APPROVED TO BE AUTHORIZED TO ISSUE CERTIF-
54 ICATES OF RECEIPT, INCLUDING INFORMATION CONTAINED IN OR DERIVED FROM
55 APPLICATION FORMS SUBMITTED TO THE DEPARTMENT OF EDUCATION OR BOARD OF
56 REGENTS.

(M) CROSS REFERENCES. FOR APPLICATION OF THE CREDIT PROVIDED FOR IN THIS SECTION, SEE THE FOLLOWING PROVISIONS OF THIS CHAPTER:

(1) ARTICLE 9-14: SECTION 210; SUBDIVISION 47;

(2) ARTICLE 22: SECTION 606; SUBSECTIONS (I) AND (W); AND SECTION 615; SUBSECTION (G);

(3) ARTICLE 32: SECTION 1456; SUBSECTION (AA);

(4) ARTICLE 33: SECTION 1511; SUBDIVISION (DD).

S 4. Paragraph (b) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 21 to read as follows:

(21) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE FOR WHICH CREDIT IS CLAIMED PURSUANT TO SUBDIVISION FORTY-SEVEN OF SECTION TWO HUNDRED TEN OF THIS CHAPTER.

S 5. Section 210 of the tax law is amended by adding a new subdivision 47 to read as follows:

47. EDUCATION INVESTMENT TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION THIRTY-NINE OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR THAT YEAR TO LESS THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) OR (D) OF SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR QUALIFIED CONTRIBUTIONS FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE SUCCEEDING FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

S 6. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xxxvi) to read as follows:

(XXXVI) EDUCATION INVESTMENT	AMOUNT OF CREDIT UNDER SUBDIVISION
TAX CREDIT UNDER SUBSECTION (WW)	FORTY-SEVEN OF SECTION TWO HUNDRED
	TEN OR SUBSECTION (AA) OF SECTION
	FOURTEEN HUNDRED FIFTY-SIX

S 7. Section 606 of the tax law is amended by adding two new subsections (w) and (w-1) to read as follows:

(W) HOME-BASED INSTRUCTIONAL MATERIALS CREDIT. (1) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN, A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE OF INSTRUCTIONAL MATERIALS APPROVED BY THE DEPARTMENT OF EDUCATION OR BOARD OF REGENTS FOR USE IN NON-PUBLIC HOME-BASED EDUCATIONAL PROGRAMS; PROVIDED, THAT THE AMOUNT OF CREDIT CLAIMED DOES NOT EXCEED THE LESSER OF ONE HUNDRED DOLLARS OR ONE HUNDRED PERCENT OF THE COST OF SUCH PURCHASES MADE BY THE TAXPAYER DURING THE TAXABLE YEAR.

(2) A HUSBAND AND WIFE WHO FILE SEPARATE RETURNS FOR A TAXABLE YEAR IN WHICH THEY COULD HAVE FILED A JOINT RETURN MAY EACH CLAIM ONLY ONE-HALF OF THE TAX CREDIT THAT WOULD HAVE BEEN ALLOWED FOR A JOINT RETURN.

(3) IF THE ALLOWABLE TAX CREDIT EXCEEDS THE TAXES OTHERWISE DUE UNDER THIS ARTICLE ON THE TAXPAYER'S INCOME, OR IF THERE ARE NO TAXES DUE UNDER THIS ARTICLE, THE TAXPAYER MAY CARRY THE AMOUNT OF THE CREDIT NOT USED TO OFFSET THE TAXES UNDER THIS ARTICLE FORWARD FOR NOT MORE THAN FIVE YEARS' INCOME TAX LIABILITY.

(W-1) INSTRUCTIONAL MATERIALS AND SUPPLIES CREDIT. FOR TAXABLE YEARS BEGINNING ON AND AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN, A TAXPAYER SHALL BE ALLOWED A CREDIT IN THE AMOUNT PAID BY THE TAXPAYER DURING THE

TAXABLE YEAR FOR INSTRUCTIONAL MATERIALS AND SUPPLIES WITH RESPECT TO CLASSROOM BASED INSTRUCTION IN A QUALIFIED SCHOOL, OR ONE HUNDRED DOLLARS, WHICHEVER IS LESS; PROVIDED THAT THE TAXPAYER IS A TEACHER, INSTRUCTOR, COUNSELOR, PRINCIPAL, OR AIDE IN A QUALIFIED SCHOOL, AS DEFINED IN SECTION THIRTY-NINE OF THIS CHAPTER, FOR AT LEAST NINE HUNDRED HOURS DURING A SCHOOL YEAR. FOR PURPOSES OF THIS SUBSECTION, THE TERM "MATERIALS AND SUPPLIES" MEANS AMOUNTS PAID FOR INSTRUCTIONAL MATERIALS OR SUPPLIES THAT ARE DESIGNATED FOR CLASSROOM USE IN ANY QUALIFIED SCHOOL.

S 8. Section 606 of the tax law is amended by adding a new subsection (ww) to read as follows:

(WW) EDUCATION INVESTMENT TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN SECTION THIRTY-NINE OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY QUALIFIED CONTRIBUTIONS FOR ANY TAXABLE YEAR EXCEEDS THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS MAY BE CARRIED OVER TO THE SUCCEEDING FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

S 9. Subsection (g) of section 615 of the tax law is amended by adding a new paragraph 3 to read as follows:

(3) WITH RESPECT TO AN INDIVIDUAL WHO HAS CLAIMED THE EDUCATION INVESTMENT TAX CREDIT FOR QUALIFIED CONTRIBUTIONS PURSUANT TO SUBDIVISION (WW) OF SECTION SIX HUNDRED SIX OF THIS ARTICLE, THE TAXPAYER'S NEW YORK ITEMIZED DEDUCTION SHALL BE REDUCED BY ANY CHARITABLE CONTRIBUTION DEDUCTION ALLOWED UNDER SECTION ONE HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE WITH RESPECT TO SUCH QUALIFIED CONTRIBUTIONS.

S 10. Section 1456 of the tax law is amended by adding a new subsection (aa) to read as follows:

(AA) EDUCATION INVESTMENT TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN SECTION THIRTY-NINE OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. IN NO EVENT SHALL THE CREDIT ALLOWED UNDER THIS SECTION BE ALLOWED IN AN AMOUNT WHICH WILL REDUCE THE TAX TO LESS THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED FIFTY-FIVE OF THIS ARTICLE. IF, HOWEVER, THE AMOUNT OF CREDIT FOR ANY QUALIFIED CONTRIBUTIONS FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, THE EXCESS MAY BE CARRIED OVER TO THE SUCCEEDING FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

S 11. Subsection (b) of section 1453 of the tax law is amended by adding a new paragraph 16 to read as follows:

(16) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE FOR WHICH CREDIT IS CLAIMED PURSUANT TO SECTION FOURTEEN HUNDRED FIFTY-SIX OF THIS ARTICLE.

S 12. Paragraph 2 of subdivision (b) of section 1503 of the tax law is amended by adding a new subparagraph (W) to read as follows:

(W) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE FOR WHICH CREDIT IS CLAIMED PURSUANT TO SECTION FIFTEEN HUNDRED ELEVEN OF THIS ARTICLE.

S 13. Section 1511 of the tax law is amended by adding a new subdivision (dd) to read as follows:

(DD) EDUCATION INVESTMENT TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN SECTION THIRTY-NINE OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS

THAN THE MINIMUM FIXED BY PARAGRAPH FOUR OF SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED TWO OR BY SECTION FIFTEEN HUNDRED TWO-A OF THIS ARTICLE, WHICHEVER IS APPLICABLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY QUALIFIED CONTRIBUTIONS FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, THE EXCESS MAY BE CARRIED OVER TO THE SUCCEEDING FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

S 14. The education law is amended by adding a new article 25 to read as follows:

ARTICLE 25

EDUCATION INVESTMENT TAX CREDIT PROGRAM

SECTION 1209. SHORT TITLE.

1210. DEFINITIONS.

1211. APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

1212. APPLICATIONS FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

1213. APPLICATION APPROVAL.

1214. ANNUAL REVIEW.

1215. REVOCATION OF APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

1216. REPORTING AND RECORDKEEPING.

1217. COMMISSIONER; POWERS.

S 1209. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "EDUCATION INVESTMENT TAX CREDIT PROGRAM".

S 1210. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(1) "AUTHORIZED CONTRIBUTION" MEANS THE CONTRIBUTION AMOUNT LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO A TAXPAYER.

(2) "CONTRIBUTION" MEANS A DONATION PAID BY CASH, CHECK, ELECTRONIC FUNDS TRANSFER, DEBIT CARD OR CREDIT CARD MADE BY THE TAXPAYER DURING THE TAX YEAR.

(3) "EDUCATIONAL PROGRAM" MEANS AN ACADEMIC OR SIMILAR PROGRAM OF A PUBLIC SCHOOL THAT ENHANCES THE CURRICULUM OR ACADEMIC PROGRAM OF THE PUBLIC SCHOOL, OR PROVIDES A PRE-KINDERGARTEN PROGRAM TO THE PUBLIC SCHOOL. FOR PURPOSES OF THIS DEFINITION, THE INSTRUCTION, MATERIALS, PROGRAMS OR OTHER ACTIVITIES OFFERED BY OR THROUGH AN EDUCATIONAL PROGRAM MAY INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING FEATURES: (A) INSTRUCTION OR MATERIALS PROMOTING HEALTH, PHYSICAL EDUCATION, AND FAMILY AND CONSUMER SCIENCES; LITERARY, PERFORMING AND VISUAL ARTS; MATHEMATICS, SOCIAL STUDIES, TECHNOLOGY AND SCIENTIFIC ACHIEVEMENT; (B) INSTRUCTION OR PROGRAMMING TO MEET THE EDUCATION NEEDS OF AT-RISK STUDENTS OR STUDENTS WITH DISABILITIES, INCLUDING TUTORING OR COUNSELING; (C) INSTRUCTION OR PROGRAMMING BEFORE OR AFTER PUBLIC SCHOOL HOURS, OR ON WEEKENDS THAT IMPROVES STUDENT ACADEMIC ACHIEVEMENT INCLUDING PREPARATION FOR COLLEGE OR A CAREER; OR (D) USE OF SPECIALIZED INSTRUCTIONAL MATERIALS, INSTRUCTORS OR INSTRUCTION NOT PROVIDED BY A PUBLIC SCHOOL.

(4) "EDUCATIONAL SCHOLARSHIP ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTITY WHICH (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) USES AT LEAST NINETY PERCENT OF THE REVENUE FROM QUALIFIED CONTRIBUTIONS RECEIVED DURING THE LAST MONTH OF THE IMMEDIATELY PRECEDING CALENDAR YEAR AND THE FIRST ELEVEN MONTHS OF THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING SUCH MONTHS FOR SCHOLARSHIPS, (III) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALI-

1 FIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE, AND (IV) PROVIDES
2 SCHOLARSHIPS WITHOUT LIMITING AVAILABILITY TO ONLY ELIGIBLE PUPILS OF
3 ONE QUALIFIED SCHOOL.

4 (5) "ELIGIBLE PUPIL" MEANS A CHILD WHO (I) IS A RESIDENT OF THIS
5 STATE, (II) IS SCHOOL AGE IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION
6 THIRTY-TWO HUNDRED TWO OF THIS CHAPTER OR WHO IS FOUR YEARS OF AGE ON OR
7 BEFORE DECEMBER FIRST OF THE YEAR IN WHICH THEY ARE ENROLLED IN A
8 PRE-KINDERGARTEN PROGRAM, AND (III) ATTENDS OR IS ABOUT TO ATTEND A
9 QUALIFIED SCHOOL.

10 (6) "LOCAL EDUCATION FUND" MEANS A NOT-FOR-PROFIT ENTITY WHICH (I) IS
11 EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION
12 FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) IS ESTABLISHED FOR
13 THE PURPOSE OF SUPPORTING AT LEAST ONE PUBLIC SCHOOL, OR A PUBLIC SCHOOL
14 DISTRICT LOCATED IN THIS STATE, (III) USES AT LEAST NINETY PERCENT OF
15 THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE LAST MONTH OF THE IMME-
16 DIATELY PRECEDING CALENDAR YEAR AND THE FIRST ELEVEN MONTHS OF THE
17 CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING
18 SUCH MONTHS TO SUPPORT THE PUBLIC SCHOOL OR SCHOOLS OR PUBLIC SCHOOL
19 DISTRICT OR DISTRICTS THAT SUCH FUND HAS BEEN ESTABLISHED TO SUPPORT,
20 AND (IV) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME
21 DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM
22 THE FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS
23 OR INCOME ARE WITHDRAWN FOR USE.

24 (7) "NONPUBLIC SCHOOL" MEANS ANY NOT-FOR-PROFIT PRE-KINDERGARTEN
25 PROGRAM OR ELEMENTARY, SECONDARY SECTARIAN OR NONSECTARIAN SCHOOL, OTHER
26 THAN A PUBLIC SCHOOL, THAT IS PROVIDING INSTRUCTION TO AN ELIGIBLE PUPIL
27 IN ACCORDANCE WITH SUBDIVISION TWO OF SECTION THIRTY-TWO HUNDRED FOUR OF
28 THIS CHAPTER.

29 (8) "PUBLIC EDUCATION ENTITY" MEANS A PUBLIC SCHOOL DISTRICT IN THIS
30 STATE, A PUBLIC SCHOOL IN THIS STATE, OR A SCHOOL IMPROVEMENT ORGANIZA-
31 TION, PROVIDED THAT SUCH PUBLIC SCHOOL DISTRICT, PUBLIC SCHOOL OR SCHOOL
32 IMPROVEMENT ORGANIZATION DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND
33 ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS
34 SEPARATE FROM THE PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT'S OPERATING OR
35 OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN
36 FOR USE FROM OPERATING OR OTHER FUNDS AND IS APPROVED TO ISSUE CERTIF-
37 ICATES OF RECEIPT PURSUANT TO THIS ARTICLE.

38 (9) "PUBLIC SCHOOL" MEANS ANY FREE ELEMENTARY OR SECONDARY SCHOOL IN
39 THIS STATE PURSUANT TO ARTICLE ELEVEN OF THE NEW YORK CONSTITUTION OR
40 CHARTER SCHOOL AUTHORIZED BY ARTICLE FIFTY-SIX OF THIS CHAPTER.

41 (10) "QUALIFIED CONTRIBUTION" MEANS THE AUTHORIZED CONTRIBUTION MADE
42 BY A TAXPAYER TO A PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, OR
43 EDUCATIONAL SCHOLARSHIP ORGANIZATION LISTED IN THE CONTRIBUTION AUTHORI-
44 ZATION CERTIFICATE ISSUED TO THE TAXPAYER FOR WHICH THE TAXPAYER HAS
45 RECEIVED A CERTIFICATE OF RECEIPT FROM SUCH ENTITY, FUND, OR ORGANIZA-
46 TION.

47 (11) "QUALIFIED EDUCATOR" MEANS AN INDIVIDUAL WHO IS A TEACHER,
48 INSTRUCTOR, COUNSELOR, PRINCIPAL, OR AIDE IN A QUALIFIED SCHOOL FOR AT
49 LEAST NINE HUNDRED HOURS DURING A SCHOOL YEAR.

50 (12) "QUALIFIED SCHOOL" MEANS A PUBLIC SCHOOL OR NONPUBLIC SCHOOL
51 LOCATED IN THIS STATE.

52 (13) "SCHOLARSHIP" MEANS AN EDUCATIONAL SCHOLARSHIP OR TUITION GRANT
53 AWARDED TO AN ELIGIBLE PUPIL TO ATTEND A QUALIFIED SCHOOL OF THEIR
54 PARENTS' CHOICE IN AN AMOUNT NOT TO EXCEED THE TUITION NECESSARY TO
55 ATTEND SUCH SCHOOL; PROVIDED, HOWEVER, IN THE CASE OF AN ELIGIBLE PUPIL
56 ATTENDING A PUBLIC SCHOOL IN A DISTRICT OF WHICH SUCH PUPIL IS NOT A

1 RESIDENT, THE AMOUNT OF THE EDUCATIONAL SCHOLARSHIP OR TUITION GRANT
2 AWARDED MAY NOT EXCEED THE TUITION CHARGED BY THE PUBLIC SCHOOL PURSUANT
3 TO PARAGRAPH D OF SUBDIVISION FOUR OF SECTION THIRTY-TWO HUNDRED TWO OF
4 THIS CHAPTER, BUT ONLY IF THE SCHOOL DISTRICT OF WHICH SUCH PUPIL IS A
5 RESIDENT IS NOT REQUIRED TO PAY FOR SUCH TUITION.

6 (14) "SCHOOL IMPROVEMENT ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTITY
7 THAT (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C)
8 OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) USES AT
9 LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE
10 LAST MONTH OF THE IMMEDIATELY PRECEDING CALENDAR YEAR AND THE FIRST
11 ELEVEN MONTHS OF THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED
12 CONTRIBUTIONS DURING SUCH MONTHS TO ASSIST PUBLIC SCHOOLS OR PUBLIC
13 SCHOOL DISTRICTS LOCATED IN THIS STATE IN THEIR PROVISION OF EDUCATIONAL
14 PROGRAMS, EITHER BY MAKING CONTRIBUTIONS TO ONE OR MORE PUBLIC SCHOOLS
15 OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE OR PROVIDING EDUCA-
16 TIONAL PROGRAMS TO, OR IN CONJUNCTION WITH, ONE OR MORE PUBLIC SCHOOLS
17 OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE, AND (III) DEPOSITS AND
18 HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED
19 CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S
20 OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME
21 ARE WITHDRAWN FOR USE. SUCH TERM INCLUDES A PRE-KINDERGARTEN PROGRAM OR
22 NOT-FOR-PROFIT ENTITY THAT ALLOWS THE TAXPAYER TO CHOOSE TO DONATE TO A
23 PROGRAM, PROJECT OR INITIATIVE IDENTIFIED BY A QUALIFIED EDUCATOR FOR
24 USE IN A PUBLIC SCHOOL.

25 S 1211. APPROVAL TO ISSUE CERTIFICATES OF RECEIPT. (1) PUBLIC SCHOOLS
26 AND PUBLIC SCHOOL DISTRICTS. ALL PUBLIC SCHOOLS AND PUBLIC SCHOOL
27 DISTRICTS SHALL BE APPROVED TO ISSUE CERTIFICATES OF RECEIPT FOR QUALI-
28 FIED CONTRIBUTIONS IN ACCORDANCE WITH SECTION THIRTY-NINE OF THE TAX
29 LAW, PROVIDED, THAT SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT SHALL
30 NOT BE APPROVED IF EITHER (I) SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL
31 DISTRICT FAILS TO DEPOSIT AND HOLD QUALIFIED CONTRIBUTIONS AND ANY
32 INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPA-
33 RATE FROM THE SCHOOL OR SCHOOL DISTRICT'S OPERATING OR OTHER FUNDS UNTIL
34 SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE, OR (II)
35 THE COMMISSIONER HAS NOT REVOKED SUCH APPROVAL FOR SUCH PUBLIC SCHOOL OR
36 PUBLIC SCHOOL DISTRICT PURSUANT TO SECTION TWELVE HUNDRED SIXTEEN OF
37 THIS ARTICLE.

38 (2) SCHOOL IMPROVEMENT ORGANIZATIONS, EDUCATIONAL SCHOLARSHIP ORGAN-
39 IZATIONS AND LOCAL EDUCATION FUNDS. NO SCHOOL IMPROVEMENT ORGANIZATION,
40 EDUCATIONAL SCHOLARSHIP ORGANIZATION OR LOCAL EDUCATION FUND SHALL ISSUE
41 ANY CERTIFICATES OF RECEIPT WITHOUT FILING AN APPLICATION PURSUANT TO
42 SECTION TWELVE HUNDRED TWELVE AND RECEIVING APPROVAL PURSUANT TO SECTION
43 TWELVE HUNDRED THIRTEEN OF THIS ARTICLE.

44 S 1212. APPLICATIONS FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.
45 1. SCHOOL IMPROVEMENT ORGANIZATIONS. A SCHOOL IMPROVEMENT ORGANIZATION
46 SHALL SUBMIT AN APPLICATION FOR APPROVAL TO ISSUE CERTIFICATES OF
47 RECEIPT IN THE FORM AND MANNER PRESCRIBED BY THE COMMISSIONER, PROVIDED
48 THAT SUCH APPLICATION SHALL INCLUDE (I) SUBMISSION OF DOCUMENTARY
49 EVIDENCE THAT SUCH SCHOOL IMPROVEMENT ORGANIZATION HAS BEEN GRANTED
50 EXEMPTION FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF
51 SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) CERTIF-
52 ICATION THAT ALL QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM
53 QUALIFIED CONTRIBUTIONS ARE DEPOSITED AND HELD IN AN ACCOUNT THAT IS
54 SEPARATE FROM THE FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED
55 CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE, (III) CERTIFICATION THAT
56 SUCH SCHOOL IMPROVEMENT ORGANIZATION WILL USE AT LEAST NINETY PERCENT OF

1 THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE LAST MONTH OF THE IMME-
2 DIATELY PRECEDING CALENDAR YEAR AND THE FIRST ELEVEN MONTHS OF THE
3 CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING
4 SUCH MONTHS TO ASSIST PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS IN THIS
5 STATE IN THE PROVISION OF THEIR EDUCATIONAL PROGRAMS BY MAKING CONTRIB-
6 UTIONS TO ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS, OR
7 PROVIDING EDUCATIONAL PROGRAMS TO, OR IN CONJUNCTION WITH, ONE OR MORE
8 PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE, AND
9 (IV) A LIST OF THE NAMES AND ADDRESSES OF ALL MEMBERS OF THE GOVERNING
10 BOARD OF THE SCHOOL IMPROVEMENT ORGANIZATION.

11 2. EDUCATIONAL SCHOLARSHIP ORGANIZATIONS. AN EDUCATIONAL SCHOLARSHIP
12 ORGANIZATION SHALL SUBMIT AN APPLICATION FOR APPROVAL TO ISSUE CERTIF-
13 ICATES OF RECEIPT IN THE FORM AND MANNER PRESCRIBED BY THE COMMISSIONER,
14 PROVIDED THAT SUCH APPLICATION SHALL INCLUDE (I) SUBMISSION OF DOCUMEN-
15 TARY EVIDENCE THAT SUCH EDUCATIONAL SCHOLARSHIP ORGANIZATION HAS BEEN
16 GRANTED EXEMPTION FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C)
17 OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) CERTIF-
18 ICATION THAT ALL QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM
19 QUALIFIED CONTRIBUTIONS ARE DEPOSITED AND HELD IN AN ACCOUNT THAT IS
20 SEPARATE FROM THE FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED
21 CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE, (III) CERTIFICATION THAT
22 SUCH ORGANIZATION WILL USE AT LEAST NINETY PERCENT OF ITS ANNUAL REVENUE
23 FROM QUALIFIED CONTRIBUTIONS RECEIVED DURING THE LAST MONTH OF THE IMME-
24 DIATELY PRECEDING CALENDAR YEAR AND THE FIRST ELEVEN MONTHS OF THE
25 CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING
26 SUCH MONTHS FOR SCHOLARSHIPS, (IV) CERTIFICATION THAT SUCH ORGANIZATION
27 WILL PROVIDE SCHOLARSHIPS TO ELIGIBLE PUPILS WITHOUT LIMITING AVAILABIL-
28 ITY TO ONLY ELIGIBLE PUPILS OF ONE QUALIFIED SCHOOL, AND (V) A LIST OF
29 THE NAMES AND ADDRESSES OF ALL MEMBERS OF THE GOVERNING BOARD OF SUCH
30 EDUCATIONAL SCHOLARSHIP ORGANIZATION.

31 3. LOCAL EDUCATION FUNDS. A LOCAL EDUCATION FUND SHALL SUBMIT AN
32 APPLICATION FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT IN THE FORM
33 AND MANNER PRESCRIBED BY THE COMMISSIONER, PROVIDED THAT SUCH APPLICA-
34 TION SHALL INCLUDE (I) SUBMISSION OF DOCUMENTARY EVIDENCE THAT SUCH
35 EDUCATIONAL SCHOLARSHIP ORGANIZATION HAS BEEN GRANTED EXEMPTION FROM
36 TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION FIVE HUNDRED
37 ONE OF THE INTERNAL REVENUE CODE, (II) DOCUMENTATION THAT SUCH LOCAL
38 EDUCATION FUND HAS BEEN ESTABLISHED TO SUPPORT AT LEAST ONE PUBLIC
39 SCHOOL OR PUBLIC SCHOOL DISTRICT, (III) THE NAME OF EACH PUBLIC SCHOOL
40 OR PUBLIC SCHOOL DISTRICT THAT IS EITHER SUPPORTED BY OR WILL BE
41 SUPPORTED BY SUCH LOCAL EDUCATION FUND, (IV) CERTIFICATION THAT SUCH
42 FUND WILL USE AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS
43 RECEIVED DURING THE LAST MONTH OF THE IMMEDIATELY PRECEDING CALENDAR
44 YEAR AND THE FIRST ELEVEN MONTHS OF THE CALENDAR YEAR AND ANY INCOME
45 DERIVED FROM QUALIFIED CONTRIBUTIONS DURING SUCH MONTHS TO SUPPORT THE
46 PUBLIC SCHOOL OR SCHOOLS OR PUBLIC SCHOOL DISTRICT OR DISTRICTS THAT
47 SUCH FUND HAS BEEN ESTABLISHED TO SUPPORT, AND (V) CERTIFICATION THAT
48 SUCH FUND WILL DEPOSIT AND HOLD QUALIFIED CONTRIBUTIONS AND ANY INCOME
49 DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM
50 THE FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS
51 OR INCOME ARE WITHDRAWN FOR USE.

52 S 1213. APPLICATION APPROVAL. 1. IN GENERAL. THE BOARD OF REGENTS
53 SHALL REVIEW EACH APPLICATION TO DETERMINE WHETHER THE APPLICANT WOULD
54 BE ENTITLED TO APPROVAL TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO
55 THIS ARTICLE. APPROVAL OR DENIAL OF AN APPLICATION SHALL BE MADE AT THE
56 NEXT SCHEDULED MEETING OF THE BOARD OF REGENTS, PROVIDED, HOWEVER THAT

1 IF IT IS NOT PRACTICABLE FOR THE BOARD TO REVIEW AN APPLICATION THAT IS
2 RECEIVED LESS THAN THREE DAYS BEFORE A SCHEDULED MEETING, THE BOARD MAY
3 REVIEW SUCH AN APPLICATION AT THE IMMEDIATELY FOLLOWING SCHEDULED MEET-
4 ING.

5 2. NOTIFICATION. APPLICANTS SHALL BE NOTIFIED OF THE BOARD OF REGENTS'
6 DETERMINATION WITHIN THREE BUSINESS DAYS OF THE BOARD'S DETERMINATION.

7 S 1214. ANNUAL REVIEW. 1. SCHOOL IMPROVEMENT ORGANIZATIONS, EDUCA-
8 TIONAL SCHOLARSHIP ORGANIZATIONS, AND LOCAL EDUCATION FUNDS. EACH SCHOOL
9 IMPROVEMENT ORGANIZATION, EDUCATIONAL SCHOLARSHIP ORGANIZATION OR LOCAL
10 EDUCATION FUND THAT RECEIVED APPROVAL TO ISSUE CERTIFICATES OF RECEIPT
11 SHALL FILE AN APPLICATION FOR RECERTIFICATION ON AN ANNUAL BASIS. SUCH
12 APPLICATION FOR RECERTIFICATION SHALL BE IN THE FORM AND MANNER
13 PRESCRIBED BY THE DEPARTMENT AND SHALL INCLUDE: (I) CERTIFICATION FROM
14 THE DIRECTOR OR CHIEF EXECUTIVE OFFICER OF THE ORGANIZATION OR ENTITY
15 THAT SUCH ORGANIZATION OR ENTITY HAS COMPLIED WITH THE APPLICABLE
16 REPORTING REQUIREMENTS OF SECTION TWELVE HUNDRED SIXTEEN OF THIS ARTICLE
17 AND SUBDIVISION (L) OF SECTION THIRTY-NINE OF THE TAX LAW, (II) A COPY
18 OF THE ORGANIZATION OR FUND'S FEDERAL FORM 990 OR OTHER FEDERAL FORM
19 INDICATING TAX STATUS OF THE ORGANIZATION OR FUND FOR FEDERAL TAX
20 PURPOSES, (III) CERTIFICATION THAT SUCH ORGANIZATION OR FUND USED AT
21 LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE
22 LAST MONTH OF THE IMMEDIATELY PRECEDING CALENDAR YEAR AND THE FIRST
23 ELEVEN MONTHS OF THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED
24 CONTRIBUTIONS DURING SUCH MONTHS TO, IN THE CASE OF A SCHOOL IMPROVEMENT
25 ORGANIZATION, ASSIST IN THE PROVISION OF EDUCATIONAL PROGRAMS IN AT
26 LEAST ONE PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT, OR IN THE CASE OF AN
27 EDUCATIONAL SCHOLARSHIP ORGANIZATION, PROVIDE SCHOLARSHIPS TO ELIGIBLE
28 STUDENTS, OR IN THE CASE OF A LOCAL EDUCATION FUND, SUPPORT AT LEAST ONE
29 PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT, (IV) CERTIFICATION THAT SUCH
30 ORGANIZATION OR FUND DEPOSITED AND HELD ALL QUALIFIED CONTRIBUTIONS AND
31 ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS ARE DEPOSITED AND HELD
32 IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION OR FUND'S OPERATING
33 OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITH-
34 DRAWN FOR USE, AND (V) A COPY OF THE ORGANIZATION'S CURRENT FINANCIAL
35 STATEMENTS. FOR PURPOSES OF DETERMINING A TAXPAYER'S PRO-RATA SHARE OF
36 AVAILABLE CREDIT, THE COMMISSIONER SHALL MULTIPLY THE AMOUNT OF AVAIL-
37 ABLE CREDIT BY A FRACTION, THE NUMERATOR OF WHICH EQUALS THE AUTHORIZED
38 CREDIT AMOUNT LISTED ON THE TAXPAYER'S APPLICATION AND THE DENOMINATOR
39 OF WHICH EQUALS THE AGGREGATE AMOUNT OF AUTHORIZED CREDIT SOUGHT IN ALL
40 OF THE AFFECTED APPLICATIONS.

41 2. PUBLIC SCHOOLS AND PUBLIC SCHOOL DISTRICTS. EACH PUBLIC SCHOOL OR
42 PUBLIC SCHOOL DISTRICT SHALL FILE AN ANNUAL CERTIFICATION WITH THE BOARD
43 OF REGENTS IN THE FORM AND MANNER PRESCRIBED BY THE BOARD. SUCH ANNUAL
44 CERTIFICATION SHALL INCLUDE (I) CERTIFICATION THAT SUCH PUBLIC SCHOOL OR
45 PUBLIC SCHOOL DISTRICT HAS COMPLIED WITH THE APPLICABLE REPORTING
46 REQUIREMENTS OF SECTION TWELVE HUNDRED SIXTEEN OF THIS ARTICLE AND
47 SUBDIVISION (L) OF SECTION THIRTY-NINE OF THE TAX LAW, AND (II) CERTIF-
48 ICATION THAT SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT DEPOSITS AND
49 HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED
50 CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE PUBLIC SCHOOL OR
51 PUBLIC SCHOOL DISTRICT'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED
52 CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE.

53 S 1215. REVOCATION OF APPROVAL TO ISSUE CERTIFICATES OF RECEIPT. THE
54 BOARD OF REGENTS, IN CONSULTATION WITH THE COMMISSIONER OF TAXATION AND
55 FINANCE, MAY REVOKE THE APPROVAL OF A SCHOOL IMPROVEMENT ORGANIZATION,
56 EDUCATIONAL SCHOLARSHIP ORGANIZATION, LOCAL EDUCATION FUND, PUBLIC

1 SCHOOL OR PUBLIC SCHOOL DISTRICT TO ISSUE CERTIFICATES OF RECEIPT UPON A
2 FINDING THAT SUCH ORGANIZATION, FUND, SCHOOL OR SCHOOL DISTRICT HAS
3 VIOLATED THIS ARTICLE OR SECTION THIRTY-NINE OF THE TAX LAW. THESE
4 VIOLATIONS SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY OF THE FOLLOWING:
5 (1) FAILURE TO MEET THE REQUIREMENTS OF THIS ARTICLE, (2) THE FAILURE TO
6 MAINTAIN FULL AND ADEQUATE RECORDS WITH RESPECT TO THE RECEIPT OF QUALI-
7 FIED CONTRIBUTIONS, (3) THE FAILURE TO SUPPLY SUCH RECORDS TO THE
8 DEPARTMENT OR THE BOARD OF REGENTS, OR (4) THE FAILURE TO PROVIDE NOTICE
9 TO THE DEPARTMENT OF TAXATION AND FINANCE OF THE ISSUANCE OF CERTIF-
10 ICATES OF RECEIPT PURSUANT TO SECTION THIRTY-NINE OF THE TAX LAW. WITH-
11 IN FIVE DAYS OF THE DETERMINATION REVOKING APPROVAL, THE COMMISSIONER
12 SHALL PROVIDE NOTICE OF SUCH REVOCATION TO THE EDUCATIONAL SCHOLARSHIP
13 ORGANIZATION, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND,
14 PUBLIC SCHOOL, OR PUBLIC SCHOOL DISTRICT.

15 S 1216. REPORTING AND RECORDKEEPING. 1. REPORTING. (A) EDUCATIONAL
16 SCHOLARSHIP ORGANIZATIONS, SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL
17 EDUCATION FUNDS, PUBLIC SCHOOLS AND PUBLIC SCHOOL DISTRICTS.

18 (I) AN EDUCATIONAL SCHOLARSHIP ORGANIZATION THAT RECEIVES QUALIFIED
19 CONTRIBUTIONS SHALL REPORT TO THE BOARD OF REGENTS, ON A FORM PRESCRIBED
20 BY THE COMMISSIONER BY JANUARY THIRTY-FIRST OF EACH CALENDAR YEAR. SUCH
21 REPORT SHALL INCLUDE: (A) THE NAME AND ADDRESS OF THE MEMBERS AND THE
22 CHAIRPERSON OF THE GOVERNING BOARD OF THE ORGANIZATION, (B) THE TOTAL
23 NUMBER OF CERTIFICATES OF RECEIPT ISSUED DURING THE IMMEDIATELY PRECED-
24 ING CALENDAR YEAR, (C) THE TOTAL DOLLAR AMOUNT OF QUALIFIED CONTRIB-
25 UCTIONS RECEIVED, AS SET FORTH IN CERTIFICATES OF RECEIPT ISSUED DURING
26 THE IMMEDIATELY PRECEDING CALENDAR YEAR, (D) THE TOTAL NUMBER OF ELIGI-
27 BLE PUPILS UTILIZING SCHOLARSHIPS FOR THE IMMEDIATELY PRECEDING CALENDAR
28 YEAR AND THE SCHOOL YEAR IN PROGRESS AND THE TOTAL DOLLAR VALUE OF THE
29 SCHOLARSHIPS, (E) THE NAME AND ADDRESS OF EACH QUALIFIED SCHOOL AT WHICH
30 SCHOLARSHIPS ARE CURRENTLY BEING UTILIZED, DETAILING THE NUMBER OF
31 ELIGIBLE PUPILS AND THE TOTAL DOLLAR VALUE OF SCHOLARSHIPS BEING
32 UTILIZED AT EACH QUALIFIED SCHOOL, AND (F) ANY ADDITIONAL INFORMATION
33 REQUESTED BY THE COMMISSIONER OR BOARD OF REGENTS.

34 (II) A SCHOOL IMPROVEMENT ORGANIZATION THAT RECEIVES QUALIFIED
35 CONTRIBUTIONS SHALL REPORT TO THE DEPARTMENT OR BOARD OF REGENTS, ON A
36 FORM PRESCRIBED BY THE COMMISSIONER BY JANUARY THIRTY-FIRST OF EACH
37 CALENDAR YEAR. SUCH REPORT SHALL INCLUDE: (A) THE NAME AND ADDRESS OF
38 THE MEMBERS AND THE CHAIRPERSON OF THE GOVERNING BOARD OF THE ORGANIZA-
39 TION, (B) THE TOTAL NUMBER OF CERTIFICATES OF RECEIPT ISSUED DURING THE
40 IMMEDIATELY PRECEDING CALENDAR YEAR, (C) THE TOTAL DOLLAR AMOUNT OF
41 QUALIFIED CONTRIBUTIONS RECEIVED, AS SET FORTH IN THE CERTIFICATES OF
42 RECEIPT ISSUED DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR, (D) A
43 LIST OF THE EDUCATIONAL PROGRAMS THAT WERE PROVIDED TO PUBLIC SCHOOLS OR
44 PUBLIC SCHOOL DISTRICTS DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR
45 THROUGH QUALIFIED CONTRIBUTIONS, INCLUDING THE GEOGRAPHIC LOCATION OF
46 SUCH PROGRAMS BY COUNTY AND ANY ADDITIONAL INFORMATION REQUESTED BY THE
47 COMMISSIONER.

48 (III) A LOCAL EDUCATION FUND THAT RECEIVES QUALIFIED CONTRIBUTIONS
49 PURSUANT TO THIS ARTICLE SHALL REPORT TO THE DEPARTMENT OR THE BOARD OF
50 REGENTS, ON A FORM PRESCRIBED BY THE COMMISSIONER BY JANUARY
51 THIRTY-FIRST OF EACH CALENDAR YEAR. SUCH REPORT SHALL INCLUDE: (A) THE
52 NAME AND ADDRESS OF THE MEMBERS AND THE CHAIRPERSON OF THE GOVERNING
53 BOARD OF THE ORGANIZATION, (B) THE TOTAL NUMBER OF CERTIFICATES OF
54 RECEIPT ISSUED DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR, (C) THE
55 TOTAL DOLLAR AMOUNT OF QUALIFIED CONTRIBUTIONS RECEIVED AS SET FORTH IN
56 THE CERTIFICATES OF RECEIPT ISSUED DURING THE IMMEDIATELY PRECEDING

1 CALENDAR YEAR, AND (D) THE NAME AND ADDRESS OF THE PUBLIC SCHOOLS OR
2 PUBLIC SCHOOL DISTRICTS THAT THE LOCAL EDUCATION FUND SUPPORTED DURING
3 THE IMMEDIATELY PRECEDING CALENDAR YEAR AND ANY ADDITIONAL INFORMATION
4 REQUESTED BY THE COMMISSIONER.

5 (IV) A PUBLIC SCHOOL DISTRICT OR PUBLIC SCHOOL THAT RECEIVES QUALIFIED
6 CONTRIBUTIONS SHALL REPORT TO THE COMMISSIONER OR BOARD OF REGENTS, ON A
7 FORM PRESCRIBED BY THE COMMISSIONER BY JANUARY THIRTY-FIRST OF EACH
8 CALENDAR YEAR. SUCH REPORT SHALL INCLUDE: (A) THE TOTAL NUMBER OF
9 CERTIFICATES OF RECEIPT ISSUED DURING THE IMMEDIATELY PRECEDING CALENDAR
10 YEAR, (B) THE TOTAL DOLLAR AMOUNT OF QUALIFIED CONTRIBUTIONS RECEIVED AS
11 SET FORTH IN THE CERTIFICATES OF RECEIPT ISSUED DURING THE PREVIOUS
12 CALENDAR YEAR, AND (C) ANY ADDITIONAL INFORMATION REQUESTED BY THE
13 COMMISSIONER OR BOARD OF REGENTS.

14 (B) JOINT ANNUAL REPORT. ON OR BEFORE THE LAST DAY OF MAY FOR EACH
15 CALENDAR YEAR, THE COMMISSIONER OF TAXATION AND FINANCE AND THE COMMIS-
16 SIONER, JOINTLY, SHALL SUBMIT A WRITTEN REPORT AS PROVIDED IN PARAGRAPH
17 TWO OF SUBDIVISION (1) OF SECTION THIRTY-NINE OF THE TAX LAW.

18 2. RECORDKEEPING. EACH EDUCATIONAL SCHOLARSHIP ORGANIZATION, SCHOOL
19 IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, PUBLIC SCHOOL AND PUBLIC
20 SCHOOL DISTRICT THAT IS AUTHORIZED TO ISSUE CERTIFICATES OF RECEIPT
21 SHALL MAINTAIN FULL AND ADEQUATE RECORDS OF THE FOLLOWING INFORMATION:
22 (A) CREDIT AUTHORIZATION CERTIFICATES RECEIVED IN ACCORDANCE WITH
23 SECTION THIRTY-NINE OF THE TAX LAW, (B) THE CERTIFICATES OF RECEIPT
24 ISSUED TO TAXPAYERS IN ACCORDANCE WITH SECTION THIRTY-NINE OF THE TAX
25 LAW, AND (C) ANY INFORMATION AS THE COMMISSIONER OR THE BOARD OF REGENTS
26 MAY PRESCRIBE.

27 S 1217. COMMISSIONER; POWERS. THE COMMISSIONER SHALL PROMULGATE ON AN
28 EMERGENCY BASIS REGULATIONS NECESSARY FOR THE IMPLEMENTATION OF THIS
29 SECTION. SUCH REGULATIONS SHALL CONSTRUCT THE PROVISIONS OF THIS SECTION
30 IN SUCH A MANNER AS TO ENCOURAGE QUALIFIED CONTRIBUTIONS; PROVIDED,
31 HOWEVER, THAT SUCH REGULATIONS SHALL NOT IMPOSE ANY NEW REQUIREMENT OR
32 BURDEN ON THE EDUCATIONAL PROGRAM, INSTRUCTION OR ACTIVITIES OF A PUBLIC
33 OR NON-PUBLIC SCHOOL; AND PROVIDED, FURTHER, THAT THE COMMISSIONER SHALL
34 MAKE ANY APPLICATION REQUIRED TO BE FILED PURSUANT TO THIS ARTICLE
35 AVAILABLE TO APPLICANTS WITHIN SIXTY DAYS OF THE EFFECTIVE DATE OF THIS
36 ARTICLE.

37 S 15. This act shall not be construed to authorize the commissioner of
38 education or the commissioner of taxation and finance to impose any
39 regulation or requirement on the educational program, instruction or
40 activities of an eligible non-public school that receives funding on
41 behalf of an eligible pupil from an educational scholarship organization
42 pursuant to this act, unless specifically authorized by this act.

43 S 16. Severability. If any provision of this section or the applica-
44 tion thereof to any person or circumstances is held invalid, such inva-
45 lidity shall not affect other provisions or applications of the section
46 which can be given effect without the invalid provision or application,
47 and to this end the provisions of this section are declared to be sever-
48 able.

49 S 17. This act shall take effect immediately and shall apply to taxa-
50 ble years beginning after December 31, 2013.