

By Senator Fasano

11-666-04

1 A bill to be entitled
2 An act relating to the corporate income tax;
3 amending s. 220.187, F.S.; redefining the term
4 "qualified student" to include certain
5 postsecondary students; defining the term
6 "qualified postsecondary scholarship program";
7 allowing credit to be taken against the tax for
8 contributions to district school board
9 direct-support organizations that provide
10 scholarships for postsecondary students who
11 qualify for free or reduced-price lunch under
12 the National School Lunch Act; providing
13 standards and procedures for such scholarship
14 programs; providing an effective date.

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16 Be It Enacted by the Legislature of the State of Florida:

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18 Section 1. Paragraph (e) of subsection (2) of section
19 220.187, Florida Statutes, is amended, paragraph (f) is added
20 to that subsection, and subsection (4) of that section is
21 amended, to read:

22 220.187 Credits for contributions to nonprofit
23 scholarship-funding organizations.--

24 (2) DEFINITIONS.--As used in this section, the term:

25 (e) "Qualified student" means a student who qualifies
26 for free or reduced-price school lunches under the National
27 School Lunch Act and who:

28 1. Was counted as a full-time equivalent student
29 during the previous state fiscal year for purposes of state
30 per-student funding;

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1 2. Received a scholarship from an eligible nonprofit
2 scholarship-funding organization during the previous school
3 year; ~~or~~

4 3. Is eligible to enter kindergarten or first grade;
5 ~~or~~

6 4. Is eligible to receive a postsecondary scholarship
7 from a district school board direct-support organization as
8 established under s. 1001.453.

9 (f) "Qualified postsecondary scholarship program"
10 means a scholarship program administered by a district school
11 board direct-support organization as established by s.
12 1001.453 to provide postsecondary scholarships for students
13 who qualify for free or reduced-price school lunches under the
14 National School Lunch Act.

15 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT
16 SCHOLARSHIP-FUNDING ORGANIZATIONS.--

17 (a) An eligible nonprofit scholarship-funding
18 organization shall provide scholarships, from eligible
19 contributions, to qualified students for:

20 1. Tuition or textbook expenses for, or transportation
21 to, an eligible nonpublic school. At least 75 percent of the
22 scholarship funding must be used to pay:

23 a. Tuition expenses; or

24 ~~b.2.~~ Transportation expenses to a Florida public
25 school that is located outside the district in which the
26 student resides; ~~or~~

27 2. A qualified postsecondary scholarship program;

28 3. An academic program designed to improve reading
29 skills with definable outcomes; or

30 4. A program designed to enhance and improve teacher
31 best practices.

1 (b) An eligible nonprofit scholarship-funding
2 organization shall give priority to qualified students who
3 received a scholarship from an eligible nonprofit
4 scholarship-funding organization during the previous school
5 year.

6 (c) The amount of a scholarship provided to any child
7 for any single school year by all eligible nonprofit
8 scholarship-funding organizations from eligible contributions
9 shall not exceed the following annual limits:

10 1. Three thousand five hundred dollars for a
11 scholarship awarded to a student enrolled in an eligible
12 nonpublic school or a postsecondary institution.

13 2. Five hundred dollars for a scholarship awarded to a
14 student enrolled in a Florida public school that is located
15 outside the district in which the student resides.

16 (d) The amount of an eligible contribution which may
17 be accepted by an eligible nonprofit scholarship-funding
18 organization is limited to the amount needed to provide
19 scholarships, or eligible academic programs, for qualified
20 students whom ~~which~~ the organization has identified and for
21 whom ~~which~~ vacancies in eligible nonpublic schools or
22 postsecondary institutions have been identified.

23 (e) An eligible nonprofit scholarship-funding
24 organization that receives an eligible contribution must spend
25 100 percent of the eligible contribution to provide
26 scholarships in the same state fiscal year in which the
27 contribution was received. No portion of eligible
28 contributions may be used for administrative expenses. All
29 interest accrued from contributions must be used for
30 scholarships.

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1 (f) An eligible nonprofit scholarship-funding
2 organization that receives eligible contributions must provide
3 to the Auditor General an annual financial and compliance
4 audit of its accounts and records conducted by an independent
5 certified public accountant and in accordance with rules
6 adopted by the Auditor General.

7 (g)1. Payment of the scholarship for students in
8 grades K-12 by the eligible nonprofit scholarship-funding
9 organization must ~~shall~~ be by individual warrant or check made
10 payable to the student's parent. If the parent chooses for his
11 or her child to attend an eligible nonpublic school, the
12 warrant or check must be mailed by the eligible nonprofit
13 scholarship-funding organization to the nonpublic school of
14 the parent's choice, and the parent shall restrictively
15 endorse the warrant or check to the nonpublic school. An
16 eligible nonprofit scholarship-funding organization shall
17 ensure that, upon receipt of a scholarship warrant or check,
18 the parent to whom the warrant or check is made restrictively
19 endorses the warrant or check to the nonpublic school of the
20 parent's choice for deposit into the account of the nonpublic
21 school.

22 2. Payment of the scholarship for a postsecondary
23 student by the eligible nonprofit scholarship-funding
24 organization must be by individual warrant or check made
25 payable to the postsecondary institution.

26 Section 2. This act shall take effect January 1, 2005.
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SENATE SUMMARY

Allows a credit against the corporate income tax to be taken for contributions made to district school board direct-support organizations for the purpose of providing scholarships or eligible academic programs to postsecondary students who qualify for free or reduced-price lunch under the National School Lunch Act. Provides standards and procedures for such scholarship programs.