

SB 200 STAFF MEASURE SUMMARY

Senate Committee On Rules

Prepared By: Josh Nasbe, Counsel

Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 3/25

WHAT THE MEASURE DOES:

Extends sunset of income tax credit for political contributions.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Originally enacted in 1969, the political contribution tax credit is a nonrefundable credit claimed against personal income taxes, in an amount that may not exceed \$50 per filer. The credit may not be taken by filers with an adjusted gross income of \$100,000 per filer. Qualifying recipients of the credit include candidates for federal, state or local elective office, major and minor political parties and political committees.

In 2009, legislation was enacted to sunset a substantial number of tax credits, requiring the Legislative Assembly to review those credits in regular intervals. Four years later, the political contribution tax credit was extended until January 1, 2020. Senate Bill 200 renews the political contribution tax credit for another six years, extending the sunset until January 1, 2026.