



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
First Regular Session

Senate: FIN 4-3-0-0 | 3rd Read 16-13-1-0

House: WM DP 6-4-0-0

SB 1243: STOs; individual income tax credits

Sponsor: Senator Mesnard, LD 13

House Engrossed

Overview

Repeals the individual income tax credit for contributions to certified school tuition organizations (STO) and increases the amount of individual income tax credits for contributions to STO's.

History

Under current statute, the amount of credit taxpayers can receive due to voluntary cash contributions to a school tuition organization is as follows:

- 1) \$500 in any taxable year for a single individual or head of household; and
- 2) \$1,000 in any taxable year for a married couple filing a joint return.

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

[\(A.R.S. § 43 - 1089\)](#)

Provisions

1. Increases the individual income tax credit cap for contributions to STO's, effective January 1, 2024, to the following:
 - a) \$1,456 for a single individual or head of household; and
 - b) \$2,902 for a married couple filing a joint return. (Sec. 3)
2. Repeals the credit for contributions to certified school tuition organizations effective January 1, 2024. (Sec. 4)
3. Modifies the notice required in any printed materials soliciting donations, in applications for scholarships and on its website for school tuition organizations. (Sec. 6)
4. Requires any revenue from contributions to certified STO's that have not been allocated by January 1, 2024 be subject to the provisions governing contributions to STO's. (Sec. 8)
5. Contains and effective date of January 1, 2024. (Sec. 9)
6. Contains a savings clause that states the repeal of the credit for contributions to certified STO's does not affect the validity of any amount of the credit carried forward from previous tax years. (Sec. 10)
7. Makes technical changes. (Sec. 1,2,3,5,7)
8. Makes conforming changes. (Sec. 1,2,3,5,6,7)

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input checked="" type="checkbox"/> Fiscal Note
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