

HOUSE BILL No. 1619

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8.1-9.5; IC 20-8.1-9-9.

Synopsis: Tax refund offset for unpaid textbook rental fees. Provides that the department of education may claim a set off of an individual's income tax refund for unpaid textbook rental fees.

Effective: July 1, 2005.

Bischoff

January 19, 2005, read first time and referred to Committee on Education.

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Introduced

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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HOUSE BILL No. 1619

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-8.1-9.5-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. For purposes of this
3 chapter:

4 "Claimant agency" means any state department, institution,
5 commission, committee, board, division, bureau, authority, officer,
6 official, or clerk of a circuit court. **The term includes a school
7 corporation for purposes of debt that is unpaid textbook rental
8 fees.**

9 "Debtor" means any person or legal entity that is delinquent in
10 paying a debt to a claimant agency that has not been adjudicated,
11 satisfied by court order, set aside by court order, or discharged in
12 bankruptcy.

13 "Debt" means any liquidated amount owed and due to a Title IV-D
14 agency of another state, or to any claimant agency which has accrued
15 through contract, subrogation, assignment for purposes of collection,
16 tort, operation of law, or any other legal theory, regardless of whether
17 there is an outstanding judgment for that sum. **The term includes**

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textbook rental fees that are:

- (1) imposed under IC 20-10.1-10-2;**
- (2) not paid by a school corporation under IC 20-8.1-9-3; and**
- (3) unpaid.**

SECTION 2. IC 6-8.1-9.5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 14. Not later than July 1 of each calendar year, the department shall submit to the department of education the following information:**

- (1) A list of all school corporations that obtain set offs from tax refunds that are payable in the calendar year.**
- (2) The amount of set offs described in subdivision (1) that each school corporation obtains, less any fees received by the department under section 10 of this chapter.**

SECTION 3. IC 20-8.1-9-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 9. (a) If a determination is made that the applicant is eligible for assistance, the school corporation shall pay the cost of the student's required fees.**

(b) A school corporation may receive a reimbursement from the department for some or all of the costs incurred by a school corporation during a school year in providing textbook assistance to children who are eligible under section 2 of this chapter. A reimbursement is reduced by an amount equal to the amount the school corporation receives as certified set offs under IC 6-8.1-9.5-8, less any fees received by the department of state revenue under IC 6-8.1-9.5-10, during the immediately preceding school year.

(c) In order to be guaranteed some level of reimbursement from the department, the governing body of a school corporation shall request the reimbursement before November 1 of a school year.

(d) In its request, the governing body shall certify to the department:

- (1) the number of students who are enrolled in that school corporation and who are eligible for assistance under this chapter;**
- (2) the costs incurred by the school corporation in providing:**
 - (A) textbooks (including textbooks used in special education and gifted and talented classes) to these students;**
 - (B) workbooks and consumable textbooks (including workbooks and consumable textbooks, and other consumable instructional materials that are used in special education and gifted and talented classes) that are used by students for no more than one (1) school year; and**
 - (C) instead of the purchase of textbooks, developmentally appropriate material for instruction in kindergarten through the**

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1 grade 3 level, laboratories, and children's literature programs;
 2 (3) that each textbook described in subdivision (2)(A) and
 3 included in the reimbursement request (except those textbooks
 4 used in special education classes and gifted and talented classes)
 5 has been adopted by the state board of education under
 6 IC 20-10.1-9-1 or has been waived by the state board of education
 7 under IC 20-10.1-9-27;
 8 (4) that the amount of reimbursement requested for each textbook
 9 under subdivision (3) does not exceed twenty percent (20%) of
 10 the costs incurred for the textbook, as provided in the textbook
 11 adoption list in each year of the adoption cycle;
 12 (5) that the amount of reimbursement requested for each
 13 workbook or consumable textbook (or other consumable
 14 instructional material used in special education and gifted and
 15 talented classes) under subdivision (2)(B), if applicable, does not
 16 exceed one hundred percent (100%) of the costs incurred for the
 17 workbook or consumable textbook (or other consumable
 18 instructional material used in special education and gifted and
 19 talented classes);
 20 (6) that the amount of reimbursement requested for each textbook
 21 used in special education and gifted and talented classes is
 22 amortized for the number of years in which the textbook is used;
 23 (7) that the amount of reimbursement requested for
 24 developmentally appropriate material is amortized for the number
 25 of years in which the material is used and does not exceed a total
 26 of one hundred percent (100%) of the costs incurred for the
 27 developmentally appropriate material; and
 28 (8) any other information required by the department, including:
 29 (A) copies of purchase orders used to acquire consumable
 30 instructional materials used in special education and gifted and
 31 talented classes and developmentally appropriate material;
 32 **and**
 33 **(B) the amount the school corporation receives as certified**
 34 **set offs under IC 6-8.1-9.5-8, less any fees received by the**
 35 **department of state revenue under IC 6-8.1-9.5-10, during**
 36 **the immediately preceding school year.**
 37 (e) Each school within a school corporation shall maintain complete
 38 and accurate information concerning the number of students
 39 determined to be eligible for assistance under this chapter. This
 40 information shall be provided to the department upon request.
 41 (f) If the amount of reimbursement requested before November 1 of
 42 a particular year exceeds the amount of money appropriated to the

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1 department for this purpose, the department shall proportionately
2 reduce the amount of reimbursement to each school corporation.
3 (g) A school corporation may submit a supplemental reimbursement
4 request under section 9.1 of this chapter. The school corporation is
5 entitled to receive a supplemental reimbursement only if there are
6 funds available. The department shall proportionately reduce the
7 amount of supplemental reimbursement to each school corporation if
8 the total amount requested exceeds the amount of money available to
9 the department for this purpose. In the case of this supplemental
10 reimbursement, the provisions in this section apply, except that section
11 9.1 of this chapter applies to the making of the supplemental request by
12 the governing body of the school corporation.
13 (h) Parents receiving other governmental assistance or aid which
14 considers educational needs in computing the entire amount of
15 assistance granted may not be denied assistance if the applicant's total
16 family income does not exceed the standards established by this
17 chapter.

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