

2015 JOINT COMMITTEE ON TAX CREDITS 78th Legislative Assembly

Public University Venture Development Fund Tax Credits

Tax Expenditure 1.420

2016 Expiring Tax Credits: pages 71-74

House Bill: 2569

Senate Bill: 44

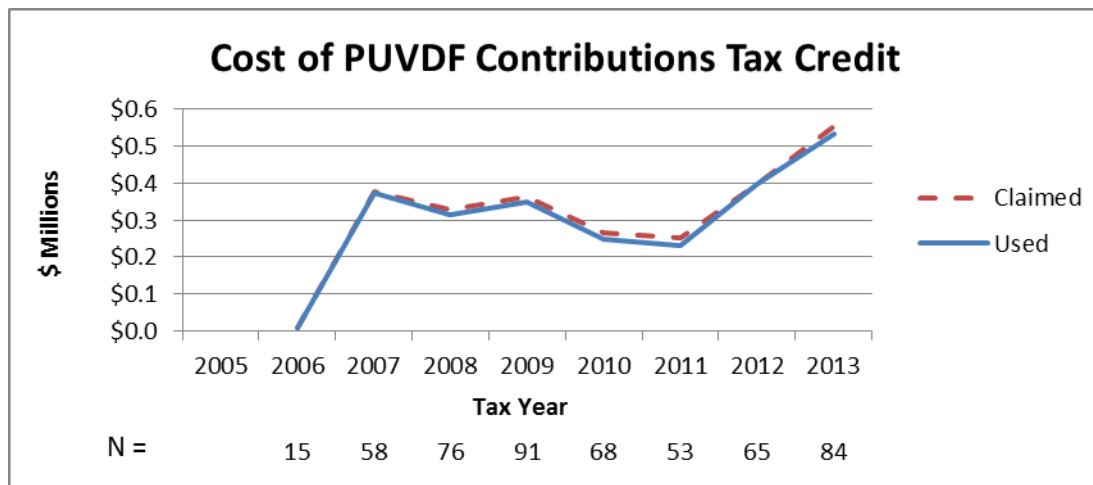
Current Law

1. Taxpayers who contribute to a Public University Venture Development Fund are allowed a tax credit equal to the 60% of the contribution. The credit is taken equally over three years up to \$50,000 per year with no carryforward.

Proposed Changes

1. Extend the contribution tax credit through tax year 2023.
2. Increase annual taxpayer credit cap from \$50,000 to \$1 million
3. Create a 3-year carryforward
4. Increase the program cap from \$8.4 million to \$25 million
5. Codify the tax credit allocation process among the universities
6. Move the reporting requirement from the individual universities to the Higher Education Coordinating Commission

Historical Use and Revenue Impact



Policy	Bill Number	Revenue Impact \$M		
		2015-17	2017-19	2019-21
Sunset Extension	SB 44, HB 2569	\$0	-\$0.3	-\$0.7
Policy Changes	SB 44, HB 2569	-\$0.8	-\$1.3	-\$0.9
Total		-\$0.8	-\$1.6	-\$1.6

Policy Considerations

1. Annual taxpayer cap of \$600,000 in tax credits / \$1 million in contributions?
2. Annual program cap of \$15 million in tax credits / \$25 million in contributions?