

## SB 200 STAFF MEASURE SUMMARY

### Senate Committee On Rules

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**Action Date:** 03/25/19

**Action:** Do pass and refer to Tax Expenditures by prior reference.

**Vote:** 5-0-0-0

**Yeas:** 5 - Baertschiger Jr, Boquist, Burdick, Dembrow, Roblan

**Fiscal:** No fiscal impact

**Revenue:** Revenue impact issued

**Prepared By:** Josh Nasbe, Counsel

**Meeting Dates:** 3/25

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#### **WHAT THE MEASURE DOES:**

Extends sunset of income tax credit for political contributions.

#### **ISSUES DISCUSSED:**

- Fiscal impact and means testing
- Refundable vs. nonrefundable credits

#### **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Originally enacted in 1969, the political contribution tax credit is a nonrefundable credit claimed against personal income taxes, in an amount that may not exceed \$50 per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.