

1 least twenty percent (20%) over any 10-year period beginning on or
2 after January 1, 1995, based on data available from the Department of
3 Public Instruction.

4 (b) Credit. – A taxpayer whose dependent child would otherwise attend a public
5 school other than a charter school in a rapidly growing county is allowed a credit
6 against the tax imposed by this Part for each of the taxpayer's dependent children who is
7 a resident of this State and who is educated lawfully in grades K through 12 in a charter
8 school or other than in a public school for at least five months during the taxable year.

9 (c) Amount. – The credit amount is two hundred dollars (\$200.00) per month for
10 each child who is educated in a home school during the taxable year. For a child who is
11 educated in a charter school, the credit amount is the amount voluntarily contributed by
12 the taxpayer to the school for capital construction, not to exceed fifty percent (50%) of
13 the amount of the average per pupil allocation for average daily membership for the
14 local school administrative unit in which the child attends school. For a child other than
15 a child who is educated in a home school or a charter school, the credit amount is the
16 amount of tuition the taxpayer paid to educate the child, not to exceed fifty percent
17 (50%) of the amount of the average per pupil allocation for average daily membership
18 for the local school administrative unit in which the child would have otherwise
19 attended school.

20 (d) Credit Refundable. – If the credit allowed by this section exceeds the amount
21 of tax imposed by this Part for the taxable year reduced by the sum of all credits
22 allowable, the Secretary must refund the excess to the taxpayer. The refundable excess
23 is governed by the provisions governing a refund of an overpayment by the taxpayer of
24 the tax imposed in this Part. In computing the amount of tax against which multiple
25 credits are allowed, nonrefundable credits are subtracted before refundable credits.

26 (e) Information. – In order to claim the credit allowed by this section, the
27 taxpayer must provide the following information to the Secretary:

- 28 (1) The name, address, and social security number of each child with
29 respect to whom a credit is claimed.
- 30 (2) The name and address of the school in which each child with respect to
31 whom a credit is claimed was educated during the year.
- 32 (3) The name of the local school administrative unit in which the child
33 resides."

34 **SECTION 2.** Part 4 of Article 39 of Chapter 115C of the General Statutes is
35 amended by adding a new section to read:

36 "**§ 115C-567. Inclusion in average daily membership.**

37 For the purposes of calculating the average daily membership of a local school
38 administrative unit for the allocation of State funds, a child who attends a school under
39 this Article shall be included in the calculation on a twenty-five percent (25%) basis for
40 the local school administrative unit that the child would have otherwise attended."

41 **SECTION 3.** Section 1 of this act is effective for taxable years beginning on
42 or after January 1, 2005. The remainder of this act becomes effective July 1, 2005.