



HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 351	House Committee:	PASSED on 2/21/23 (19-0)
Committee:	Ways and Means	House Floor:	
Floor Manager:	Rep. Jones	Senate Floor:	
Date:	April 12, 2023	Governor:	
Staff:	Kristi Kious (2-5290)		

Adoption Tax Credit Increase

- Increases the adoption tax credit available against the individual income tax.
- **Fiscal note** – General Fund
 - \$406,000 for FY 2025
 - \$775,000 for FY 2026 and after

Section by Section Analysis

Section 1 – Adoption tax credit (422.12A)

Currently, the adoption tax credit equals the amount of qualified adoption expenses paid or incurred by the taxpayer in connection with the adoption of a child, not to exceed \$5,000 per adoption.

This section phases in an increase to the maximum amount of the adoption tax credit as follows:

- for the tax year beginning January 1, 2024, \$7,500 per adoption
- for tax years beginning on or after January 1, 2025, \$10,000 per adoption