

# **One Hundred Third Legislature - First Session - 2013**

## **Introducer's Statement of Intent**

### **LB296**

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**Chairperson: Senator Galen Hadley**

**Committee: Revenue**

**Date of Hearing: February 01, 2013**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB296 was introduced to making changes to the Nebraska College Savings Program.

The Nebraska state income tax deduction limitations available for contributions made to a Nebraska College Savings Program is increased from \$2,500.00 to \$5,000.00 for a married person filing separately and to \$10,000.00 for a joint filing.

Rollover contributions from another state's plan into a Nebraska College Savings Program account would be entitled to the Nebraska state income tax deduction. This change brings the statute into agreement with interpretations of the Nebraska Department of Revenue.

LB296 further provides how ownership of the account shall be handled upon the death of the account owner.

LB296 further provides that with regard to UTMA/UGMA accounts, that the custodian of an UTMA/UGMA account could make Plan contributions to a College Savings Plan and would be allowed to take advantage of the Nebraska state income tax deductions for those contributions.

LB296 specifies an effective date and repeals the original sections.

**Principal Introducer:** \_\_\_\_\_

**Senator Galen Hadley**