



Hundredth Legislature - First Session - 2007
Committee Statement
LB 459

Hearing Date: January 25, 2007
Committee On: Revenue

Introducer(s): (Gay, 14)

Title: Allow an income tax deduction for interest on education loans

Roll Call Vote – Final Committee Action:

Advanced to General File
Advanced to General File with Amendments
X Indefinitely Postponed

Vote Results:

6	Yes	Senators Burling, Dierks, Janssen, Preister, Raikes and White
0	No	
0	Present, not voting	
2	Absent	Senators Cornett and Langemeier

Proponents:
Senator Tim Gay

Representing:
Introducer

Opponents:
None

Representing:

Neutral:
None

Representing:

Summary of purpose and/or changes:

LB 459 would have amended section 77-2716 to subtract from federal adjusted gross income any federal deduction for interest paid on student loans. Under the Internal Revenue Code, up to \$2,500 of such interest is deductible above the line so this deduction would subtract this interest a second time. The federal deduction phases out for taxpayers with incomes between \$55,000 and \$75,000 (\$110,000 and \$140,000 for a joint return) and this phase-out would apply to the extra Nebraska deduction as well. The bill would be operative for all taxable years beginning on or after January 1, 2007.

Explanation of amendments, if any:

Senator Ray Janssen, Chairperson
