

AMENDMENTS TO LB705

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 77-1403, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 77-1403 (1) Unless otherwise permitted under section 529A, the owner
6 of an account shall be the designated beneficiary of the account, except
7 that if the designated beneficiary of the account is a minor or has a
8 custodian or other fiduciary appointed for the purposes of managing such
9 beneficiary's financial affairs, a custodian or fiduciary for such
10 designated beneficiary may serve as the account owner if such form of
11 ownership is permitted or not prohibited under section 529A.

12 (2) Unless otherwise permitted under section 529A, the designated
13 beneficiary of an account shall be a resident of the state or of a
14 contracting state. The State Treasurer shall determine residency of
15 Nebraska residents for such purpose in such manner as may be required or
16 permissible under section 529A or, in the absence of any guidance under
17 section 529A, by such other means as the State Treasurer shall consider
18 advisable for purposes of satisfying the requirements of section 529A.

19 (3) Unless otherwise permitted under section 529A, a change in the
20 designated beneficiary of an account is permitted only if (a) the change
21 occurs during the life of the original designated beneficiary and (b) the
22 new beneficiary is an individual with a disability and a sibling of the
23 original designated beneficiary.

24 (4) At the time an account is established under the program and
25 prior to any change in the designated beneficiary pursuant to subsection
26 (3) of this section, the State Treasurer shall notify the owner of the
27 account or the designated beneficiary of the potential tax consequences

1 of making a change in the designated beneficiary pursuant to subsection
2 (3) of this section.

3 Sec. 2. Original section 77-1403, Reissue Revised Statutes of
4 Nebraska, is repealed.