



**Hundredth Legislature - First Session - 2007
Committee Statement
LB 338**

Hearing Date: January 31, 2007
Committee On: Revenue

Introducer(s): (Gay)

Title: Change income tax deductions for the Nebraska educational savings plan trust

Roll Call Vote – Final Committee Action:

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

Vote Results:

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

Proponents:

Senator Tim Gay
Shane Osborn
Doug Ewald
Jay Steinacher

Bob Hallstrom
David Bomberger
Robert H. FitzSimmons

Thomas O’Neill, Jr.

Ron Withem
Dennis Baack

Representing:

Introducer
State Treasurer
Department of Revenue
Union Bank & Trust Company, Manager of the NE College Savings Program
Nebraska Bankers Association
Nebraska Investment Council
National Association of Insurance & Financial Advisors
Association of Independent Colleges & Universities of Nebraska
University of Nebraska
Nebraska Community College Association

Opponents:

None

Representing:

Neutral:

None

Representing:

Summary of purpose and/or changes:

LB 338 would amend section 77-2716 to increase the amount that may be excluded for Nebraska income tax purposes for contributions to a Nebraska educational savings plan trust account. For a married filing separately return, the maximum amount deducted would be increased from \$500 to \$5,000 and for all other taxpayers from \$1,000 to \$10,000. The increase would be operative for taxable years beginning on or after January 1, 2007.

Explanation of amendments, if any:

The Committee amendment reduces the increase in maximum deductible contribution from \$5,000 for a single taxpayer to \$2,500 and from \$10,000 for other returns to \$5,000.

Senator Ray Janssen, Chairperson