



**One Hundredth Legislature - First Session - 2007**  
**Introducer's Statement of Intent**  
**LB 431**

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**Chairman:** Ray Janssen  
**Committee:** Revenue  
**Date of Hearing:** March 9, 2007

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

The Individual Education Tax Credit, Legislative Bill 431, is a bill that recognizes that parents of students are incurring more and more of the costs for educating their children. When those costs are paid by parents it results in a savings for the public education system and Nebraska taxpayers. This bill recognizes the contribution made by parents to the school finance system and allows for a tax credit for a portion of the education expenditures made by the parents.

LB 431 will allow all parents of students in both public and private school to claim a tax credit of up to \$250 for K-6 grade children and \$500 for 7-12 grade children for 10% of the amount spent for education costs charged to the student. Education costs would include monies spent for tuition, fees, textbooks, and transportation. Fees mean any charges incurred as costs for school-sponsored education and education enrichment activities that require enrolled students to pay a fee to the school in order to participate. These fees include driver's education; school, band, physical education and sport uniforms; scientific equipment; computer and language lab participation. Additionally, the bill clarifies that monies spent on books and instructional materials used in the teaching or religious tenets, doctrines, or worship are specifically excluded from the expenditures allowed toward the credit.

**Principal Introducer:**

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**Senator Mike Friend**  
**District 10**