

SS SB 366 -- HIGHER EDUCATION SAVINGS PROGRAM

SPONSOR: Schmitt (Alferman)

COMMITTEE ACTIONS: Voted "Do Pass" by the Standing Committee on Higher Education by a vote of 9 to 0. Voted "Do Pass" by the Select Committee on Education by a vote of 9 to 0.

This bill exempts from state income taxation refunds of qualified higher education expenses received by beneficiaries in connection with withdrawal from an eligible education institution when the refund is contributed to a qualified tuition savings program within 60 days of withdrawal.

The bill also permits participants in the MOST Program to elect to contribute all or part of their income tax refund to his or her MOST account via direct deposit. The election must be made on a form provided by the Department of Revenue and may not be revoked.

PROPOSERS: Supporters say that this update will make the state 529 plan more attractive.

Testifying for the bill were Senator Schmitt and Council on Public Higher Education.

OPPOSERS: There was no opposition voiced to the committee.