

ONE HUNDRED FOURTH LEGISLATURE - SECOND SESSION - 2016
COMMITTEE STATEMENT (CORRECTED)
LB685

Hearing Date: Wednesday January 27, 2016
Committee On: Revenue
Introducer: Bolz
One Liner: Adopt the Student Loan Repayment Tax Credit Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Brasch, Davis, Gloor, Harr, Scheer, Schumacher, Smith, Sullivan
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents:

Senator Kate Bolz
Nicholas Devine

Thomas O'Neill

Dennis Baack
Bruce Bohrer

Evan Fullmer

Representing:

Introducer
Association of Students at the University of Nebraska-Lincoln
Association of Independent Colleges & Universities in Nebraska
Nebraska Community College Association
Lincoln Chamber of Commerce; Lincoln Young Professionals Council
Omaha Young Professionals Council of the Greater Omaha Chamber

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

Establish a non-refundable tax credit of 50% of student loan repayments made on behalf of an employee by an employer. Each employer is eligible for the credit up to \$1,800 per employee, and may qualify for the credit for up to 20 employees per business. The bill reserves 25% of the allowed credit for small businesses with 50 or fewer employees. The bill permits for credits of \$1.5 million per fiscal year.

In order to qualify an employee must either have graduated from a college or university located in Nebraska or have graduated from a high school in Nebraska and then graduated from a college or university in another state and returned to Nebraska

Explanation of amendments:

The amendment becomes the bill. It adds a five year sunset date to the credit and allows banks to qualify for the

employer credit. It removes the requirement that the employee have graduated from a Nebraska college and requires the employer to add back any amount deducted federally for the repayment of student loans claimed as part of the credit.

Mike Gloor, Chairperson