The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Curry Lann.

DIGEST

SB 5 Engrossed 2021 Regular Session Foil

Present law provides for the La. Student Tuition Assistance and Revenue Trust Kindergarten Through Grade Twelve (START K12) Program, an education savings program for certain expenses associated with enrolling in grades kindergarten through 12. The START K12 Program is similar to the La. Student Tuition Assistance and Revenue Trust (START) Program, except the former is for certain expenses associated with an elementary or secondary school and the latter is for certain expenses associated with an institution of postsecondary education.

Present law excludes a portion of annual deposits from a START Program account owner's state tax table income for up to $2,400 for single filers and $4,800 for joint filers, per account. If less than the maximum annual deposits are deposited in any year, then the difference between the total deposit and $2,400 for single filers or $4,800 for joint filers shall roll over to subsequent years and shall be exempt from inclusion in the account owner's state taxable income.

Proposed law retains present law and excludes annual deposits to a START K12 Program from the account owner's state income tax. Proposed law limits the exclusion to $1,200 for single filers and $2,400 for joint filers per beneficiary. Proposed law prohibits the exclusion from applying to deposits withdrawn within the same taxable year as the deposit.

Present law authorizes a tax deduction for costs associated with enrollment in an elementary or secondary school. Proposed law prohibits an account owner from claiming both the tax exclusion for the START K12 Program and the tax deduction for costs associated with enrollment in an elementary and secondary school within the same taxable year.

Effective January 1, 2022.

(Amends R.S. 17:3100.5(A)(1) and R.S. 47:297.11; adds R.S. 47:293(9)(a)(xx), 297.10(C), and 297.12(C))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Makes technical changes.