



Rep. Kay Sponsors Legislation to Make College More Affordable

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Illinois State Representative Dwight Kay (R-Glen Carbon) recently co-sponsored legislation to ease the financial burden placed on individuals and families paying or saving for college tuition.

According to recent statistics, 8 of Illinois' 12 public universities saw a drop in enrollment. Eastern Illinois saw a drop of nearly 7%, with a 5% decline for Southern Illinois.

“College tuition is not getting any cheaper while at the same time our state is losing 25% of college freshman to other states,” said Rep. Kay. “Offering a tax credit to students and families paying for college should end up encouraging students to stay and obtain their higher education at one of Illinois’ quality colleges.”

House Bill 3640 would create a \$1,000 tax credit to help individuals and families pay for college expenses at an Illinois accredited school. To be eligible for the credit, the family or the student must meet the following criteria: attend a MAP-approved Illinois institution on at least a half-time basis with tuition and fees greater than \$1,000, be an Illinois resident and a U.S. citizen or eligible non-citizen, and the family must have **an adjusted gross income of less than \$150,000. Those already receiving Illinois MAP grants would not be eligible.**

House Bill 3641 will “unlock” the limited tax deduction rights currently granted to Illinoisans who are saving for their children’s college education. Under current law, this “upfront” deduction is only offered to contributors in a state administered College Savings Pool account or the Illinois Prepaid Tuition Trust Fund. Right now, private-sector 529 programs, including programs operated by respected financial institutions that are based outside of Illinois, are not eligible for this upfront deduction. Currently, individuals and families are participating in a 529 program and saving for the future are not eligible under current Illinois law for this upfront Illinois individual income tax

deduction.

“Permitting an upfront tax deduction in a 529 college savings program will allow Illinois families to be able to save for the future without being hit with an immediate tax burden,” said Rep. Kay. “With this legislation, we will join the 31 other states who have adopted similar proposals and embolden Illinois families to save more for their children’s education.”