
DIGEST

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HB 592 Engrossed

2019 Regular Session

Foil

Abstract: Authorizes the credit of earnings enhancements to START K12 education accounts.

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.

Proposed law retains present law.

Present law provides for earnings enhancements, a "state match" on deposits between 2% and 14% annually for the START program; such rate depends on the account category and the account owner's income. Further, present law establishes the "Savings Enhancement Fund" as a special permanent subaccount within the START Program and provides that the legislature shall annually appropriate state general funds to be deposited by the treasurer in this fund. Provides that this fund shall be used for earnings enhancements for START accounts.

Proposed law retains present law and authorizes a state match for the START K12 Program at the same rates applicable to the START Program in present law and provides that the Savings Enhancement Fund shall also be used to fund earnings enhancements for the START K12 Program.

Effective Jan. 1, 2020.

(Amends R.S. 17:3100.2(3)-(13) and 3100.6(B)(2); Adds R.S. 17:3100.2(14) and (15), 3100.5(F)(5), and (G), 3100.6(D), (E), (F) and (G))

Summary of Amendments Adopted by House

The House Floor Amendments to the original bill:

1. Remove the tax exclusion to a START K12 Program account owner's state tax table income on annual deposits up to \$2,400 for single filers and \$4,800 for joint filers.

