

SEPTEMBER 19, 2014

ASSEMBLY BILL #10

INTRODUCED BY

THE COMMITTEE ON EXTERNAL AFFAIRS

A RESOLUTION to oppose disestablishment of lifetime learning tax credits in accordance with
U.S. House of Representatives Resolution 3393

GRADUATE AND PROFESSIONAL STUDENT ASSOCIATION,

WHEREAS the GPSA represents more than 14,000 ASU graduate and professional students, including students who will be forced to assume more debt to pursue advanced degrees should H.R. 3393's provisions be signed into law;

WHEREAS SEC. 102(d), subsection (7B), in H.R. 3393 consolidates the Hope and Lifetime Learning credits into the American Opportunity Tax Credit;

WHEREAS SEC. 102(a) amends the IRS Tax Code of 1986 to prevent claiming of the American Opportunity Tax Credit on behalf of a student if:

“(1) such student was taken into account in determining the credit allowed under this section (by the taxpayer or any other individual) for any 4 prior taxable years or (2) such student has completed (before the beginning of such taxable year) the first 4 years of postsecondary education at an eligible educational institution.”

NOTING THAT the lifetime learning credit provides up to \$2,000 in tax credit per tax return for eligible spending on education;

ALSO NOTING THAT the average cumulative debt for a Master's degree is \$57,000, a doctoral degree, \$75,000, and a professional degree, \$146,000;

ALSO NOTING THAT student loan debt “stifles entrepreneurship”, interferes with the ability to obtain a mortgage or home, and typically delays other major financial milestones such as saving for retirement or saving for a dependent's college education;

EMPHASIZING THAT the GPSA 2013-2014 Advocacy Agenda directs the GPSA to “oppose significant changes to graduate student funding or programs,” including removal of much-needed financial assistance, including tax credits for eligible education expenses, from its constituent graduate and professional students⁶;

BE IT RESOLVED THAT the GPSA opposes the disestablishment of the Lifetime Learning tax credit according to the aforementioned subsections of U.S. House of Representatives Resolution 3393.