

Senate Bill 266

By: Senators Esteves of the 35th, Gooch of the 51st, Brass of the 6th, Jones II of the 22nd,
Still of the 48th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 11 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated,
2 relating to the Georgia Higher Education Savings Plan, so as to revise the maximum amount
3 of contributions allowed per beneficiary of savings trust accounts for higher education
4 expenses; to amend Code Section 48-7-27 of the Official Code of Georgia Annotated,
5 relating to computation of taxable net income, so as to revise the deduction for contributions
6 to savings trust accounts; to provide for a short title; to provide for related matters; to provide
7 for an effective date; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 This Act shall be known and may be cited as the "College Success 529 Expansion Act."

11 **SECTION 2.**

12 Article 11 of Chapter 3 of Title 20 of the Official Code of Georgia Annotated, relating to the
13 Georgia Higher Education Savings Plan, is amended by revising paragraph (1) of subsection
14 (b) of Code Section 20-3-634, relating to savings trust accounts, availability, and terms and
15 provisions, as follows:

16 "(1) The maximum and minimum contribution allowed on behalf of each beneficiary for
 17 the payment of qualified higher education expenses at eligible institutions as defined in
 18 Section 529 of the Internal Revenue Code of 1986 or other applicable federal law;
 19 provided, however, that no additional contributions may be made to a savings trust
 20 account when the total account balance for all accounts for the beneficiary equals or
 21 exceeds ~~\$235,000.00~~ a reasonable maximum amount as determined by the board based
 22 on current and anticipated education expenses;"

23 **SECTION 3.**

24 Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of
 25 taxable net income, is amended by revising paragraph (11.1) of subsection (a) as follows:

26 "(11.1) For taxable years beginning on or after January 1, ~~2020~~ 2026:

27 (A) An amount equal to the amount of contributions to a savings trust account
 28 established pursuant to Article 11 of Chapter 3 of Title 20 on behalf of the designated
 29 beneficiary, but not exceeding ~~\$4,000.00~~ \$5,000.00 per beneficiary;

30 (B) If the contributor files a separate return or single return, the sum of contributions
 31 constituting deductions on the contributor's return under this paragraph shall not exceed
 32 ~~\$4,000.00~~ \$5,000.00 per beneficiary;

33 (C) If the contributor files a joint return, the sum of contributions constituting
 34 deductions on the contributor's return under this paragraph shall not exceed ~~\$8,000.00~~
 35 \$10,000.00 per beneficiary; and

36 (D) For purposes of this paragraph, contributions or payments for any such taxable
 37 year may be made during or after such taxable year but on or before the deadline for
 38 making contributions to an individual retirement account under federal law for such
 39 taxable year;"

40 **SECTION 4.**

41 This Act shall become effective upon its approval by the Governor or upon its becoming law
42 without such approval.

43 **SECTION 5.**

44 All laws and parts of laws in conflict with this Act are repealed.