Message in Brief: Thank you for supporting the federal higher education tax benefits for students and the incentives for charitable giving. Combined, these measures both help make college possible for our students and families, and help our colleges stay financially strong.

- **Charitable Giving/Tuition Deduction**: We support preserving the charitable deduction without dollar limitations or percentage caps. Also, two important tax benefits expired at the end of 2013. We support extending both the IRA charitable rollover and tuition deduction immediately while the committees work on longer-term tax reform bills.

- **Tax Reform in the House**: Any efforts to reform the existing higher education tax benefits should maintain the current three-tiered structure, allowing benefits for saving for college, paying tuition, and repaying student loans.
  
  o The tax reform draft released by Ways and Means Chairman Dave Camp (R-MI) in February would eliminate most of the current higher education benefits in exchange for lower rates. We do not support reforming the higher education benefits outside of a broader fundamental reform process.

  o H.R. 3393, introduced in October 2013, comes from two committee members tasked with examining the higher education benefits – Reps. Diane Black (R-TN) and Danny Davis (D-IL). While we support efforts to consolidate and simplify the tuition tax credits and deduction under H.R. 3393, the bill has several problematic provisions as well.

  o H.R. 3393 would eliminate the American Opportunity Tax Credit (AOTC) for nearly 50 percent of current students and families by reducing AOTC income level eligibility from the current $80,000 for single taxpayers and $160,000 for married/joint filers, to $43,000 for single filers and $86,000 for married/joint filers. In addition, the bill eliminates – rather than consolidates – the current Lifetime Learning credit and tuition deduction, which are so important to students continuing their education after the first four years of college.

  o Regarding tuition tax benefits, we support the consolidation and simplification of the various credits and deduction into one permanent tuition tax credit that maintains eligibility for all students, but eliminates the current confusing array of options tax filers now face.

  o Any effort to reform the higher education benefits should not eliminate tax benefits for middle class students and families, or for graduate students, at a time when they need it most.
• **Tax Reform in the Senate:** While the Senate has not had as much focus on the higher education benefits as the House, we support legislation (S. 835) introduced by Finance Committee member Sen. Charles Schumer (D-NY). This bill would consolidate and simplify the current tuition credits and the deduction into one simple credit. It would make the American Opportunity Tax Credit (AOTC) permanent, along with increasing the current income caps to allow more students and families to participate, and also would allow a modified benefit beyond the first four years of college.

• Thank you for your continued support of tax benefits to help our students save and pay for college, and to repay their student loans.
House Committee on Ways & Means

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Sam Johnson, TX
Kevin Brady, TX
Paul Ryan, WI
Devin Nunes, CA
Pat Tiberi, OH
Dave G. Reichert, WA
Charles W. Boustany Jr., LA
Peter J. Roskam, IL
Jim Gerlach, PA
Tom Price, GA
Vern Buchanan, FL
Adrian Smith, NE
Aaron Schock, IL
Lynn Jenkins, KS
Erik Paulsen, MN
Kenny Marchant, TX
Diane Black, TN
Tom Reed, NY
Todd Young, IN
Mike Kelly, PA
Tim Griffin, AR
Jim Renacci, OH

Democrats (16)
Sander Levin, MI, Ranking Member
Charles B. Rangel, NY
Jim McDermott, WA
John Lewis, GA
Richard E. Neal, MA
Xavier Becerra, CA
Lloyd Doggett, TX
Mike Thompson, CA
John B. Larson, CT
Earl Blumenauer, OR
Ron Kind, WI
Bill Pascrell Jr., NJ
Joseph Crowley, NY
Allyson Schwartz, PA
Danny Davis, IL
Linda Sanchez, CA

Senate Committee on Finance

Democrats (13)
Ron Wyden, OR, Chair
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Charles Schumer, NY
Debbie Stabenow, MI
Maria Cantwell, WA
Bill Nelson, FL
Robert Menendez, NJ
Tom Carper, DE
Ben Cardin, MD
Sherrod Brown, OH
Michael Bennet, CO
Robert Casey, Jr., PA
Mark Warner, VA

Republicans (11)
Orrin G. Hatch, UT, Ranking Member
Chuck Grassley, IA
Mike Crapo, ID
Pat Roberts, KS
Michael Enzi, WY
John Cornyn, TX
John Thune, SD
Richard Burr, NC
Johnny Isakson, GA
Rob Portman, OH
Pat Toomey, PA