

## Comparison of House and Senate Tax Reform Plans

*As of 12-5-17 (post-Senate passage)*

	House Plan	Senate Plan
American Opportunity Tax Credit	Consolidates AOTC and Lifetime Learning Credit and adds a fifth year with half the benefits. Repeal of Lifetime Learning Credit would mean no tax credit for part-time	No changes to AOTC
Discharge of student debt	Discharge of student debt from death or disability would be excluded from taxable income.	No change
Student Loan Interest Deduction	Repeals tax deduction for interest paid on federal student loans. Under current law, borrowers can deduct up to \$2,500.	Not included
Graduate student tuition	Eliminates Section 117(d)5 of tax code, which allows institutions to waive or reduce tuition costs for graduate students without tax implications.	No change
College employee dependent benefits	Would no longer exclude tuition benefits for college employees' spouses or children from taxable income.	No change
Employer-provided education assistance	Would no longer exclude employer-provided education assistance from taxable income. Tax-exempt benefits are currently capped at \$5,250 per year for undergraduate and graduate course work.	No change
Endowment Tax	Applies a 1.4 percent excise tax to private college endowments valued at \$250,000 per full-time student.	Same as the House plan
Charitable deductions	Increases standard deduction from \$12,700 to \$24,000 for joint filers and from \$6,350 to \$12,000 for individuals. Charitable groups say the change will reduce the incentive for charitable giving to entities like colleges.	Increases standard deduction to \$24,400 for joint filers and \$12,200 for individuals.
College athletic seating rights	Eliminates rule providing for charitable deduction of 80 percent of amount paid to purchase tickets to athletic events.	Same as House plan
Research income	Tax-exempt organizations could exclude from unrelated business tax only income from research that is available to the public.	Not included
Name and logo royalties	Not included	Not included (removed from Senate bill by amendment)
Business income taxed separately	Not included	Requires that unrelated business income be counted separately for tax purposes, meaning colleges could no longer use losses in one business area to offset tax liability for gains in another.

Termination of private activity bonds	Effectively eliminates tax-exempt private activity bonds that lower the cost of building for colleges.	Not included
Termination of advanced refunding bonds	Interest on newly issued advance refunding bonds would become taxable.	Same as the House plan
State and Local Tax Deductions	Deductions for state and local property taxes would be capped at \$10,000. Higher ed advocates say limiting the deductions will mean less support for taxes that support community colleges	Same as the House plan

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Source: <http://www.acenet.edu/news-room/Documents/Tax-Reform-Bill-Comparison.pdf>