

HCS SB 863 -- HIGHER EDUCATION SAVINGS PROGRAMS

Currently, the maximum annual exemption from Missouri gross income on contributions to the Missouri Higher Education Savings Program is \$8,000 per taxpayer. This bill clarifies that a married couple filing jointly may deduct up to \$16,000 per year from their state gross income.

Missouri residents will be allowed to make contributions to any qualified higher education tuition savings program and receive the same tax benefits as contributions to the state program. The savings from these contributions will not be considered as income when determining state student aid eligibility.