



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 2202

PRINTERS NO. 3551

PRIME SPONSOR: Greiner

### REVENUE INCREASE / (DECREASE)

FUND	FY 2013/14	FY 2014/15
General Fund	\$0	(\$388,800)

**SUMMARY:** House Bill 2202, Printer's Number 3551, amends the Tuition Account Programs and Savings Bond Act, further providing for general provisions governing tuition account programs and for State tax exemption.

**ANALYSIS:** This legislation prohibits all qualified college savings plans from being used as security for a loan and from being subject to attachment, levy or execution by any creditor of any account owner or beneficiary. Furthermore, the legislation exempts the transfer of all qualified plans from the inheritance tax. Current law only provides the above protections and exemption for Pennsylvania 529 plans. This legislation extends these benefits to other states' 529 plans and other eligible plans maintained by eligible educational institutions.

The exemption from the inheritance tax shall apply to property transferred by a decedent on or after the effective date of the act. The act takes effect in 60 days.

**FISCAL IMPACT:** According to estimates provided by the Department of Revenue, exempting the transfer of this property from the inheritance tax would result in the loss of revenue to the General Fund estimated to be \$388,800 in FY2014-15.

**PREPARED BY:** Ritchie LaFaver  
House Appropriations Committee (R)

**DATE:** June 1, 2014

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*