

NOTICE OF INTENT

Louisiana Tuition Trust Authority Office of Student Financial Assistance

START Saving Program (LAC 28:VI.305, 307, 311)

The Louisiana Tuition Trust Authority announces its intention to amend its START Saving Program rules (LSA-R.S. 17:3091 *et seq.*).

This rulemaking increases the time an account owner has to make his/her first deposit after opening a START account from 60 to 180 days and extends the deadline for account owners to provide the tax documents required to establish the proper allocation of earnings enhancements.

The proposed rule has no known impact on family formation, stability, or autonomy, as described in LSA-R.S. 49:972. The proposed rule will have no adverse impact on small businesses as described in LSA-R.S. 49:965.2 *et seq.* (ST10119NI)

Title 28

EDUCATION

Chapter 3. Education Savings Account

Part VI. Student Financial Assistance—Higher Education Savings

§305. Deposits to Education Savings Accounts

A. – A.2. ...

3. An initial deposit is not required to open an Education Savings Account; however, a deposit of at least \$10 must be made within ~~60-180~~ days from the date on the letter of notification of approval of the account.

A.4. – E.4.

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3091-3099.2.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 23:715 (June 1997), amended LR 24:1270 (July 1998), LR 26:2263 (October 2000), LR 27:1880 (November 2001), LR 30:788 (April 2004), LR 30:1169 (June 2004), LR 30:2302 (October 2004), LR 32:1433 (August 2006), LR 32:2240 (December 2006), LR 35:236 (February 2009), LR 35:1234 (July 2009), LR 36:492 (March 2010).

§307. Allocation of Earnings Enhancements

A. – B.4.

5. If an account owner is classified in §305.A.1 or 2 and ~~fails to provide~~ the tax documents required by §307.B.2 are not received by ~~December 31~~ February 15 immediately following of the year for which the beneficiary of the account is being considered for an earnings enhancement, as an exception to §307.D, the account shall be allocated an earnings enhancement for the year being considered at the earnings enhancement rate shown in §307.D for account owners who are members of the family of the beneficiary who report an adjusted gross income of \$100,000 and above.

6. Example: An account owner has made deposits in a START account for a beneficiary during calendar year ~~2002-2010~~ and desires to receive the highest earnings enhancement rate authorized for those deposits. If the account owner did not file a Louisiana Income Tax Return for the tax year ~~2001-2009~~ or is notified by LATTA that the Louisiana Department of Revenue could not validate his federal adjusted gross income, he must ~~submit file~~ the tax documents for tax year ~~2001-2009~~ required by §307.B.2.b so that they are received by with LATTA no later than by ~~December 31, 2002~~ February 15, 2011, or his earnings enhancement rate will be defaulted to the rate for account owners who are members of the family of the beneficiary who report an adjusted gross income of \$100,000 and above.

C. – J.3. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3091-3099.2.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR 23:715 (June 1997), amended LR 24:1271 (July 1998), LR 25:1794 (October 1999), LR 26:1263 (June 2000), LR 26:2263 (October 2000), LR 27:37 (January 2001), LR 27:1222 (August 2001), LR 27:1880 (November 2001), LR 28:779 (April 2002), LR 30:788 (April 2004), LR 30:2302 (October 2004), LR 34:1886 (September 2008).

§311. Termination, Refund, and Rollovers of an Education Savings Account

A. – B.2. ...

3. The LATTA may terminate an account if no deposit of at least \$10 has been made within ~~60~~180 days from the date on the letter of notification of approval of the account.

B.4. – I.b.2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 17:3091-3099.2.

HISTORICAL NOTE: Promulgated by the Tuition Trust Authority, Office of Student Financial Assistance, LR

23:717 (June 1997), amended LR 24:1273 (July 1998), repromulgated LR 26:2265 (October 2000), amended LR 27:38 (January 2001), LR 27:1882 (November 2001), LR 28:779 (April 2002), LR 30:790 (April 2004), LR 31:639 (March 2005), LR 32:1434 (August 2006), LR 32:2240 (December 2006), LR 33:444 (March 2007), LR 35:236 (February 2009), LR 36:492 (March 2010).

Interested persons may submit written comments on the proposed changes (ST10119NI) until 4:30 p.m., August 10, 2010, to Melanie Amrhein, Executive Director, Office of Student Financial Assistance, P. O. Box 91202, Baton Rouge, LA 70821-9202.

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