



May 29, 2007

NE Dept. of Environmental Quality
Michael J. Linder
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RE: Nebraska Tax Deduction Increases from \$1,000 to \$5,000

We have exciting information to share! Legislative Bill 338 which increases the Nebraska state income tax deduction for contributions by account owners to Nebraska 529 accounts was signed into law by Governor Heineman this afternoon. This is a positive enhancement for Nebraska families and is fitting to occur on "5-29 Day"!

This is exciting news for college savers! The Bill, introduced by Senator Tim Gay and supported by Treasurer Shane Osborn, increases the Nebraska state income tax deduction for contributions to the plan from \$1,000 to \$5,000 (the increase changes from \$500 to \$2,500 if married filing separately). These changes will be effective for tax years on or after January 1, 2007.

The passing of the Bill is excellent news for families looking to save more for future college costs. It also means that grandparents looking for that perfect long lasting gift can now save nice sums for their grandchildren while also benefiting from additional tax savings.

The State of Nebraska sponsors the program with Nebraska State Treasurer Shane Osborn serving as Trustee, the Nebraska Investment Council overseeing the investment structure and Union Bank & Trust Company serving as Program Manager.

For more information on the nationally acclaimed College Savings Plan of Nebraska visit www.PlanForCollegeNow.com or call toll-free 1 – 888 – 993 – 3746.

This is a great time for clients to consider increasing contributions to the plan to benefit from this exciting tax change! Have a great summer.

Sincerely,

College Savings Plan of Nebraska