



1718-01
UB Graduate Student Association
310 Student Union
Buffalo, NY 14260

RESOLUTION 1718-01

TO: Members of the Senate

FROM: Christopher Rupert, Biology GSA

DATE: 6 December 2017

SUBJECT: University at Buffalo Graduate Student Association Senate Resolution to Support Removal of Sec. 1204 and Sec. 1201 from the Tax Cuts and Jobs Act

WHEREAS the University at Buffalo (UB) Graduate Student Association (GSA) Senate may enact resolutions concerning issues of importance to the graduate student body as regards issues of academic policy, student rights, and student welfare;

WHEREAS UB currently has a total enrollment of 30,648 students, 9,628 of which are graduate students;¹

WHEREAS an estimated 1,490 graduate students receive tuition waivers in exchange for teaching or research;²

WHEREAS the average stipend for graduate students at UB for the 2016 – 2017 academic year was \$17,343, putting UB graduate students in the 20th percentile for income according to 2016 survey data;³

WHEREAS \$2010.50 of that stipend goes toward UB's annual Comprehensive Fee, \$375.00 toward the Academic Excellence Fee, and \$128.00 toward the Student Activity Fee, leaving the average graduate with \$14,829.5 to cover all other expenses;⁴

WHEREAS the estimated cost of living for graduate students at UB is \$18,713;⁵

WHEREAS for the 2017 – 2018 academic year full time graduate tuition at UB will range from \$5,435.00 - \$20,885.00 per semester for residents and \$11,105.00 – 32,580.00 for non-residents;⁶

1 http://www.buffalo.edu/about_ub/ub_at_a_glance.html

2 <http://www.ubspectrum.com/article/2017/11/gop-tax-plan-to-cut-savings-for-grad-students-by-65-billion-over-next-decade-report-shows>

3 <https://dqydj.com/archived-income-percentile-calculator-for-2016-data/>

4 <http://financialaid.buffalo.edu/costs/graduate/>

5 <http://www.ubspectrum.com/article/2017/09/ub-graduate-students-and-faculty-to-march-for-ta-stipend-increase>

6 <http://studentaccounts.buffalo.edu/tuition/fall.php>

WHEREAS Sec. 1204 of the Tax Cuts and Jobs Act would count tuition waivers, remissions, and/or reductions as taxable income;

WHEREAS despite doubling the standard deductions for single and married filers, the elimination of personal exemptions fails to absorb the increase to income tuition waivers would independently exacerbate some graduate students' tax burden;

WHEREAS under the new federal tax brackets all graduate students will fall into the 12% bracket;

WHEREAS based on current tuition rates, graduate students could pay an additional \$1,304.4 – \$5012.4 in federal taxes for residents and \$2,665.2 – \$7,819.2 for non-residents;

WHEREAS a Biological Sciences graduate TA in their first year is paid \$27,000 with a tuition waiver of \$10,870 would pay an additional \$1,304.40 in federal taxes, a 40% increase;

WHEREAS a Physics graduate TA paid \$16,500 with a tuition waiver of \$10,870 would pay an additional \$1,304.40 in federal taxes, a 65% percent increase;⁷

WHEREAS the Student Loan Interest Deduction currently provides up to \$2500 of tax credit for single filings under \$80,000 and joint filings under \$165,000;⁸

WHEREAS Sec. 1204 of the Tax Cuts and Jobs Act repeals the Student Loan Interest Deduction;

WHEREAS the American Opportunities Tax Credit currently provides 100% tax credit for \$2,500 per annum for a period of up to four years;⁹

WHEREAS The Lifetime Learning Credit currently provides up to \$2000 worth of tax credit per annum for tuition and fees required for enrollment;¹⁰

WHEREAS the Hope Scholarship Credit provides \$2,500 worth of tax credit per annum for the first four years of post-secondary education;¹¹

WHEREAS Sec. 1201 of the Tax Cuts and Jobs Act repeals the Lifetime Learning Credit and the Hope Scholarship Credit and consolidates these credits under the American Opportunities Tax Credit;

WHEREAS the new American Opportunities Tax Credit under Sec. 1201 only covers \$2,000 per annum for four years, plus a possible \$1,000 for a fifth year, greatly reducing the tax benefit of the Lifetime Learning Credit, Hope Scholarship, and American Opportunities Tax Credit;

WHEREAS the non-partisan Committee for a Responsible Federal Budget estimates that the Tax Cuts and Jobs Act would reduce tax benefits and savings for all college students by \$65 billion over the next decade while providing a \$1.5 trillion tax cut for corporations;¹²

7 <https://arts-sciences.buffalo.edu/physics/graduate/fellowships-assistantships-awards.html>

8 <https://www.irs.gov/taxtopics/tc456>

9 <https://www.irs.gov/credits-deductions/individuals/aotc>

10 <https://www.irs.gov/credits-deductions/individuals/lle>

11 <https://www.irs.com/articles/the-hope-scholarship-tax-credit>

12 <http://www.crfb.org/blogs/comparing-latest-house-and-senate-tax-bills-provision>

WHEREAS many graduate students will not be able to shoulder the tax burden these changes will put on graduate students, which may force them to leave their program or current degree track and negatively affect their future career prospects;

WHEREAS graduate students provide a crucial service to UB through Teaching Assistantships and Research Assistantships, and without the graduate student population UB would be unable to function as an undergraduate and R1 research university;

NOW THEREFORE BE IT RESOLVED THAT:

1. The graduate student body of UB calls for the administration to commission a report on the specific impact Sec. 1204 will have on the graduate student body at UB.
2. The GSA calls for UB to make an official statement to the community supporting the removal of Sec. 1204 and 1201 of the Tax Cuts and Jobs Act.
3. The GSA encourages UB to discuss removal of Sec. 1204 and Sec. 1201 of the Tax Cuts and Jobs Act with the SUNY Board of Trustees to put forth a unified message for the entire SUNY system.
4. The GSA requests the school provide a plan for changes to the costs of graduate education, particularly tuition, should Sec. 1204 and Sec. 1201 of the Tax Cuts and Jobs Act be signed into law.