Dear Pitt Graduate and Professional students:

On November 16, 2017, the House of Representatives passed a major overhaul to the tax code. The bill passed with 227 to 205 with all Democrats and all but 13 Republicans in opposition of the bill. The tax code that was passed by the House of Representatives repeals Section 117(d)(5) of the current tax code and the provision would increase tax liability for graduate students. Eliminating section 117(d) of the tax code would increase tax liability for graduate students on “income” they never see and dissuade promising individuals from attending graduate programs in the US.

Carnegie Mellon has done an analysis of the impact the tax-reform plan could have on PhD candidates. Even though, the University of Pittsburgh tuition and stipend structure is different as we are a public institution, this document still displays how detrimental the tax-reform bill can be. According to research done by the National Association of Graduate-Professional Students, eliminating the tax-free nature of tuition remission and counting “Qualified Tuition Reduction” or tuition waivers as taxable income can result in an increase of tax liability on graduate students by as much as 300%.

If implemented, these provisions will have a detrimental effect on graduate students and institutions of higher education. Graduate students, who already live on limited financial resources, will be forced to spend a large portion of their stipends on taxes, and will incur more debt to attend graduate school. The increased costs will make the reality of graduate school unattainable for many, which would also hinder our institutions of higher education from being able to attract the best and brightest talent, both domestically and internationally. Ultimately, this legislation will disincentive and limit students from pursuing advanced degrees, stymie innovation, and will make the U.S. less competitive in the global economy.

Pitt GPSG is partnering with various organization such as the National Association of Graduate-Professional Students and Student Advocates of Graduate Education in sharing vital information for graduate and professional students to join our resistance against this bill. In the coming weeks we are also collaborating with Carnegie Mellon University’s Graduate Student Assembly to plan workshops and demonstrations in order to fight against polices and provisions that hurt the graduate and professional student experience. GPSG encourages all students to continue to call and email Pennsylvania delegates to voice your unrest and concern about the provisions passed by the House and join GPSG in advocating for the graduate & professional student experience at Pitt.

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