

GRADUATE STUDENT COUNCIL
ASSOCIATED STUDENTS OF STANFORD UNIVERSITY
201 TRESIDDER UNION • 459 LAGUNITA DRIVE #7
STANFORD, CA 94305

STATEMENT IN SUPPORT OF TAX RELIEF FOR GRADUATE STUDENTS

Whereas

Graduate education is important for training the next generation of scientists, engineers, scholars, researchers, and educators.

and

The security and success of the United States depends on the pre-eminence of its science- and technology-based economy. This economy relies on the strength of our universities, and particularly the strength of their graduate programs.

and

Graduate student researchers provide cutting edge research at the forefront of basic science and technology. Many of the major technical advances of the last few decades were made by individuals working as graduate students at universities.

and

Similarly, the governance and cultural development of our country depends on the scholarship generated in the social sciences and humanities graduate programs of our nation's universities.

and

Graduate students are primary educators for college students at many research universities. They do so at low cost, providing excellent training while reducing education costs for parents and for the college students themselves.

and

Graduate student stipends were considered tax-exempt prior to 1986.

and

The average graduate student accumulates \$40,000 in graduate debt pursuing a doctoral degree¹, in addition to any debt previously acquired during college. The high costs and lost income associated with attending graduate school dissuade many talented college graduates from pursuing research and teaching careers. They also place an enormous financial burden on those who choose these public service-oriented careers.

and

Room, board, transportation, computer purchase, and similar expenses are recognized in the Higher Education Act as necessary "costs of attendance." These are already considered tax-exempt when drawn from state tuition savings accounts. The support provided for educational expenses (such as tuition) as part of an assistantship or fellowship is already tax-exempt. Stipends cover the aforementioned necessary "costs of attendance" as well as educational expenses and hence should also be tax-exempt.

¹ U.S. Department of Education, National Center for Education Statistics, 1999-2000 National Postsecondary Student Aid Study (NPSAS:2000).

Therefore,

As the elected representatives of Stanford University's 7,800 graduate students, the Stanford University Graduate Student Council endorses the efforts of the National Coalition of Graduate Students for an Affordable and Accessible Education to achieve tax relief for the nation's graduate students, and pledges to continue its ongoing support for this effort. We encourage Congress to restore graduate student stipends to a tax-exempt status in order to reduce the tax burden of the nation's graduate students.