

2015-2016 Regular Sessions

I N S E N A T E

(PREFILED)

January 7, 2015

Introduced by Sens. LAVALLE, DeFRANCISCO, GRIFFO, MARCHIONE, SEWARD --
read twice and ordered printed, and when printed to be committed to
the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to the definition of "allowable
college tuition expenses" and the tax credit allowed for such expenses

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subparagraph (A) of paragraph 2 of subsection (t) of
2 section 606 of the tax law, as amended by section 1 of part N of chapter
3 85 of the laws of 2002, is amended to read as follows:

4 (A) The term "allowable college tuition expenses" shall mean the
5 amount of qualified college tuition expenses of eligible students paid
6 by the taxpayer during the taxable year[,]. THE AMOUNT OF QUALIFIED
7 COLLEGE TUITION EXPENSES SHALL BE limited [to] AS FOLLOWS: FOR TAXABLE
8 YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO THOUSAND SIXTEEN, ten
9 thousand dollars for each such student; FOR TAXABLE YEARS BEGINNING IN
10 TWO THOUSAND SIXTEEN, TWELVE THOUSAND DOLLARS FOR EACH STUDENT; FOR
11 TAXABLE YEARS BEGINNING IN TWO THOUSAND SEVENTEEN, FOURTEEN THOUSAND
12 DOLLARS FOR EACH STUDENT; FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND
13 EIGHTEEN, SIXTEEN THOUSAND DOLLARS FOR EACH STUDENT; FOR TAXABLE YEARS
14 BEGINNING IN TWO THOUSAND NINETEEN, EIGHTEEN THOUSAND DOLLARS FOR EACH
15 STUDENT; AND FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND NINETEEN,
16 TWENTY THOUSAND DOLLARS PER STUDENT;

17 S 2. Paragraph 4 of subsection (t) of section 606 of the tax law, as
18 added by section 1 of part DD of chapter 63 of the laws of 2000, is
19 amended to read as follows:

20 (4) Amount of credit. [If allowable college tuition expenses are less
21 than five thousand dollars, the amount of the credit provided under this
22 subsection shall be equal to the applicable percentage of the lesser of
23 allowable college tuition expenses or two hundred dollars. If allowable

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

1 college tuition expenses are five thousand dollars or more, the amount
2 of the credit provided under this subsection shall be equal to the
3 applicable percentage of the allowable college tuition expenses multi-
4 plied by four percent.]

5 THE AMOUNT OF THE CREDIT SHALL BE DETERMINED IN ACCORDANCE WITH THE
6 FOLLOWING SCHEDULES:

7 (A) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO
8 THOUSAND SIXTEEN:

9 IF ALLOWABLE COLLEGE TUITION THE TAX CREDIT IS EQUAL TO:
10 EXPENSES ARE:

11 LESS THAN FIVE THOUSAND DOLLARS THE APPLICABLE PERCENTAGE OF THE
12 LESSER OF ALLOWABLE COLLEGE TUITION
13 EXPENSES OR TWO HUNDRED DOLLARS

14 FIVE THOUSAND DOLLARS OR MORE THE APPLICABLE PERCENTAGE OF
15 ALLOWABLE COLLEGE TUITION EXPENSES
16 MULTIPLIED BY FOUR PERCENT

17 (B) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND SIXTEEN:
18 IF ALLOWABLE COLLEGE TUITION THE TAX CREDIT IS EQUAL TO:
19 EXPENSES ARE:

20 LESS THAN SIX THOUSAND DOLLARS THE LESSER OF ALLOWABLE COLLEGE
21 TUITION EXPENSES OR TWO HUNDRED
22 FORTY DOLLARS

23 SIX THOUSAND DOLLARS OR MORE THE ALLOWABLE COLLEGE TUITION
24 EXPENSES MULTIPLIED BY FOUR PERCENT

25 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND SEVENTEEN:
26 IF ALLOWABLE COLLEGE TUITION THE TAX CREDIT IS EQUAL TO:
27 EXPENSES ARE:

28 LESS THAN SEVEN THOUSAND DOLLARS THE LESSER OF ALLOWABLE COLLEGE
29 TUITION EXPENSES OR TWO HUNDRED
30 EIGHTY DOLLARS

31 SEVEN THOUSAND DOLLARS OR MORE THE ALLOWABLE COLLEGE TUITION
32 EXPENSES MULTIPLIED BY FOUR PERCENT

33 (D) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND EIGHTEEN:
34 IF ALLOWABLE COLLEGE TUITION THE TAX CREDIT IS EQUAL TO:
35 EXPENSES ARE:

36 LESS THAN EIGHT THOUSAND DOLLARS THE LESSER OF ALLOWABLE COLLEGE
37 TUITION EXPENSES OR THREE HUNDRED
38 TWENTY DOLLARS

39 EIGHT THOUSAND DOLLARS OR MORE THE ALLOWABLE COLLEGE TUITION
40 EXPENSES MULTIPLIED BY FOUR PERCENT

41 (E) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND NINETEEN:
42 IF ALLOWABLE COLLEGE TUITION THE TAX CREDIT IS EQUAL TO:
43 EXPENSES ARE:

44 LESS THAN NINE THOUSAND DOLLARS THE LESSER OF ALLOWABLE COLLEGE
45 TUITION EXPENSES OR THREE HUNDRED
46 SIXTY DOLLARS

47 NINE THOUSAND DOLLARS OR MORE THE ALLOWABLE COLLEGE TUITION
48 EXPENSES MULTIPLIED BY FOUR PERCENT

49 (F) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND NINETEEN:
50 IF ALLOWABLE COLLEGE TUITION THE TAX CREDIT IS EQUAL TO:
51 EXPENSES ARE:

52 LESS THAN TEN THOUSAND DOLLARS THE LESSER OF ALLOWABLE COLLEGE
53 TUITION EXPENSES OR FOUR HUNDRED
54 DOLLARS

55 TEN THOUSAND DOLLARS OR MORE THE ALLOWABLE COLLEGE TUITION
56 EXPENSES MULTIPLIED BY FOUR PERCENT

1 Such applicable percentage shall be twenty-five percent for taxable
2 years beginning in two thousand one, fifty percent for taxable years
3 beginning in two thousand two, seventy-five percent for taxable years
4 beginning in two thousand three and one hundred percent for taxable
5 years beginning after two thousand three.

6 S 3. This act shall take effect immediately and shall apply to taxable
7 years beginning on or after January 1, 2016.