

STATE OF NEW YORK

231

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sen. TEDISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to enacting the graduate outreach assistance law to exempt from state income taxation the first two hundred fifty thousand dollars earned by a college graduate

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "graduate
2 outreach assistance law".

3 § 2. Paragraph 3 of subsection (a) of section 605 of the tax law, as
4 added by chapter 28 of the laws of 1987, is amended to read as follows:

5 (3) Accounting methods. (A) A taxpayer's method of accounting under
6 this article shall be the same as [his] the taxpayer's method of
7 accounting for federal income tax purposes, with the exception of the
8 provisions of subparagraph (B) of this paragraph. In the absence of any
9 method of accounting for federal income tax purposes, New York taxable
10 income shall be computed under such method as in the opinion of the tax
11 commission clearly reflects income.

12 (B) For the purpose of computing New York taxable income, a taxpayer
13 shall not be required to include in such computation the first two
14 hundred fifty thousand dollars, with a cap of fifty thousand dollars per
15 taxable year, the taxpayer earns following graduation from any college
16 or university having attained a four-year degree or higher, or the first
17 one hundred fifty thousand dollars, with a cap of twenty-five thousand
18 dollars per taxable year, the taxpayer earns following graduation from
19 any college or university having attained a two-year degree.

20 § 3. This act shall take effect immediately, and shall apply to taxa-
21 ble years beginning the first of January following the effective date of
22 this act.

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

LBD00882-01-5