S T A T E O F N E W Y O R K

8690

2011-2012 Regular Sessions

I N A S S E M B L Y

November 21, 2011

Introduced by M. of A. MOYA, CRESPO, P. RIVERA, MENG, JAFFEE, BRONSON, GOTTFRIED, ROSENTHAL, CASTRO, GIBSON, M. MILLER, V. LOPEZ, HEASTIE, LANCMAN, STEVENSON, SIMOTAS, ROBERTS, RODRIGUEZ, CAMARA, ORTIZ, LINARES, CLARK -- Multi-Sponsored by -- M. of A. ABINANTI, DenDEKKER, NOLAN -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the education law, in relation to making family tuition accounts available to account owners who provide a taxpayer identification number

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

Section 1. Subdivision 2 of section 695-e of the education law, as amended by chapter 593 of the laws of 2003, is amended to read as follows:

2. A family tuition account may be opened by any person who desires to save money for the payment of the qualified higher education expenses of the designated beneficiary. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A FAMILY TUITION ACCOUNT SHALL BE AVAILABLE TO ANY ACCOUNT OWNER WITH A VALID SOCIAL SECURITY NUMBER, TAXPAYER IDENTIFICATION NUMBER, OR EMPLOYER IDENTIFICATION NUMBER FOR THE BENEFIT OF ANY DESIGNATED BENEFICIARY WITH A VALID SOCIAL SECURITY NUMBER OR TAXPAYER IDENTIFICATION NUMBER, UNLESS A TUITION SAVINGS AGREEMENT IN EFFECT ON THE EFFECTIVE DATE OF THE CHAPTER OF THE LAWS OF 2011 WHICH AMENDED THIS SUBDIVISION DOES NOT ALLOW FOR A TAXPAYER IDENTIFICATION NUMBER, IN WHICH CASE TAXPAYER IDENTIFICATION NUMBERS SHALL BE ALLOWED UPON THE EXPIRATION OF THE CONTRACT. An account owner may designate another person as successor owner of the account in the event of the death of the original account owner. Such person who opens an account or any successor owner shall be considered the account owner as defined in section six hundred ninety-five-b of this article.

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

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a. An application for such account shall be in the form prescribed by the program and contain the following:

(i) the name, address and social security number, TAXPAYER IDENTIFICATION NUMBER or employer identification number of the account owner;

(ii) the designation of a designated beneficiary;

(iii) the name, address, and social security number OR TAXPAYER IDENTIFICATION NUMBER of the designated beneficiary; and

(iv) such other information as the program may require.

b. The comptroller and the corporation may establish a nominal fee for such application.

S 2. This act shall take effect immediately.