

5884

2011-2012 Regular Sessions

I N S E N A T E

September 9, 2011

Introduced by Sens. LAVALLE, BONACIC, DeFRANCISCO, FUSCHILLO, GRIFFO, HANNON, JOHNSON, MAZIARZ, RANZENHOFER, SALAND -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

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 ASSEMBLY, 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 TWELVE, ten
9 thousand dollars for each such student; FOR TAXABLE YEARS BEGINNING IN
10 TWO THOUSAND TWELVE, TWELVE THOUSAND DOLLARS FOR EACH STUDENT; FOR TAXA-
11 BLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN, FOURTEEN THOUSAND DOLLARS
12 FOR EACH STUDENT; FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN,
13 SIXTEEN THOUSAND DOLLARS FOR EACH STUDENT; FOR TAXABLE YEARS BEGINNING
14 IN TWO THOUSAND FIFTEEN, EIGHTEEN THOUSAND DOLLARS FOR EACH STUDENT; AND
15 FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND FIFTEEN, TWENTY THOUSAND
16 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.

LBD13345-01-1

college tuition expenses are five thousand dollars or more, the amount of the credit provided under this subsection shall be equal to the applicable percentage of the allowable college tuition expenses multiplied by four percent.]

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

(A) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO THOUSAND TWELVE:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:

LESS THAN FIVE THOUSAND DOLLARS

THE TAX CREDIT IS EQUAL TO:
THE APPLICABLE PERCENTAGE OF THE
LESSER OF ALLOWABLE COLLEGE TUITION
EXPENSES OR TWO HUNDRED DOLLARS

FIVE THOUSAND DOLLARS OR MORE

THE APPLICABLE PERCENTAGE OF
ALLOWABLE COLLEGE TUITION EXPENSES
MULTIPLIED BY FOUR PERCENT

(B) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND TWELVE:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:

LESS THAN SIX THOUSAND DOLLARS

THE TAX CREDIT IS EQUAL TO:
THE LESSER OF ALLOWABLE COLLEGE
TUITION EXPENSES OR TWO HUNDRED
FORTY DOLLARS

SIX THOUSAND DOLLARS OR MORE

THE ALLOWABLE COLLEGE TUITION
EXPENSES MULTIPLIED BY FOUR PERCENT

(C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:

LESS THAN SEVEN THOUSAND DOLLARS

THE TAX CREDIT IS EQUAL TO:
THE LESSER OF ALLOWABLE COLLEGE
TUITION EXPENSES OR TWO HUNDRED
EIGHTY DOLLARS

SEVEN THOUSAND DOLLARS OR MORE

THE ALLOWABLE COLLEGE TUITION
EXPENSES MULTIPLIED BY FOUR PERCENT

(D) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:

LESS THAN EIGHT THOUSAND DOLLARS

THE TAX CREDIT IS EQUAL TO:
THE LESSER OF ALLOWABLE COLLEGE
TUITION EXPENSES OR THREE HUNDRED
TWENTY DOLLARS

EIGHT THOUSAND DOLLARS OR MORE

THE ALLOWABLE COLLEGE TUITION
EXPENSES MULTIPLIED BY FOUR PERCENT

(E) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FIFTEEN:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:

LESS THAN NINE THOUSAND DOLLARS

THE TAX CREDIT IS EQUAL TO:
THE LESSER OF ALLOWABLE COLLEGE
TUITION EXPENSES OR THREE HUNDRED
SIXTY DOLLARS

NINE THOUSAND DOLLARS OR MORE

THE ALLOWABLE COLLEGE TUITION
EXPENSES MULTIPLIED BY FOUR PERCENT

(F) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND FIFTEEN:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:

LESS THAN TEN THOUSAND DOLLARS

THE TAX CREDIT IS EQUAL TO:
THE LESSER OF ALLOWABLE COLLEGE
TUITION EXPENSES OR FOUR HUNDRED
DOLLARS

TEN THOUSAND DOLLARS OR MORE

THE ALLOWABLE COLLEGE TUITION
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, 2012.