

1 thousand dollars for each such student, FOR TAXABLE YEARS BEGINNING IN
2 OR AFTER TWO THOUSAND THIRTEEN, FOURTEEN THOUSAND SIXTY DOLLARS FOR EACH
3 SUCH STUDENT;

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

7 (4) Amount of credit. [If allowable college tuition expenses are less
8 than five thousand dollars, the amount of the credit provided under this
9 subsection shall be equal to the applicable percentage of the lesser of
10 allowable college tuition expenses or two hundred dollars. If allowable
11 college tuition expenses are five thousand dollars or more, the amount
12 of the credit provided under this subsection shall be equal to the
13 applicable percentage of the allowable college tuition expenses multi-
14 plied by four percent.] THE AMOUNT OF THE CREDIT SHALL BE DETERMINED IN
15 ACCORDANCE WITH THE FOLLOWING SCHEDULES:

16 (A) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO
17 THOUSAND THIRTEEN:

18 IF ALLOWABLE COLLEGE TUITION
19 EXPENSES ARE:
20 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
THE APPLICABLE PERCENTAGE
OF ALLOWABLE COLLEGE TUITION
EXPENSES MULTIPLIED BY FOUR PERCENT

21
22
23
24 FIVE THOUSAND DOLLARS OR MORE

25
26
27 (B) FOR TAXABLE YEARS BEGINNING IN OR AFTER TWO THOUSAND THIRTEEN:
28 IF ALLOWABLE COLLEGE TUITION

29 EXPENSES ARE:
30 LESS THAN SEVEN THOUSAND THIRTY
31 DOLLARS

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

32
33 SEVEN THOUSAND THIRTY DOLLARS
34 OR MORE

35 Such applicable percentage shall be twenty-five percent for taxable
36 years beginning in two thousand one, fifty percent for taxable years
37 beginning in two thousand two, seventy-five percent for taxable years
38 beginning in two thousand three and one hundred percent for taxable
39 years beginning after two thousand three.

40 S 3. Subsection (t) of section 606 of the tax law is amended by adding
41 a new paragraph 4-a to read as follows:

42 (4-A) INFLATION ADJUSTMENT. (A) FOR TAXABLE YEARS BEGINNING IN OR
43 AFTER TWO THOUSAND FOURTEEN, THE DOLLAR AMOUNTS IN SUBPARAGRAPH (A) OF
44 PARAGRAPH TWO AND PARAGRAPH FOUR OF THIS SUBSECTION SHALL BE MULTIPLIED
45 BY ONE PLUS THE INFLATION ADJUSTMENT.

46 (B) THE INFLATION ADJUSTMENT FOR ANY TAX YEAR SHALL BE THE PERCENTAGE,
47 IF ANY, BY WHICH THE HIGHER EDUCATION PRICE INDEX FOR THE ACADEMIC
48 FISCAL YEAR ENDING IN THE IMMEDIATELY PRECEDING TAX YEAR EXCEEDS THE
49 HIGHER EDUCATION PRICE INDEX FOR THE ACADEMIC FISCAL YEAR ENDING JUNE
50 TWO THOUSAND THIRTEEN. FOR THE PURPOSES OF THIS PARAGRAPH, THE HIGHER
51 EDUCATION PRICE INDEX MEANS THE HIGHER EDUCATION PRICE INDEX PUBLISHED
52 BY THE COMMON FUND INSTITUTE.

1 (C) IF THE PRODUCT OF THE AMOUNTS IN SUBPARAGRAPH (A) AND SUBPARAGRAPH
2 (B) OF THIS PARAGRAPH IS NOT A MULTIPLE OF FIVE DOLLARS, SUCH INCREASE
3 SHALL BE ROUNDED TO THE NEXT MULTIPLE OF FIVE DOLLARS.
4 S 4. This act shall take effect immediately.

PART B

6 Section 1. Subsection (c) of section 612 of the tax law is amended by
7 adding a new paragraph 39 to read as follows:

8 (39) FOR TAX YEARS COMMENCING AFTER DECEMBER FIRST, TWO THOUSAND THIR-
9 TEEN, FOR TAXPAYERS, ALL INTEREST PAID ON STUDENT LOANS. FOR PURPOSES OF
10 THIS PARAGRAPH "STUDENT LOAN" MEANS A LOAN TO A STUDENT FROM A LENDER TO
11 HELP PAY FOR THE COST OF POST-SECONDARY EDUCATION AT A POST-SECONDARY
12 SCHOOL. FOR PURPOSES OF THIS PARAGRAPH "LENDER" MEANS A BANK, SAVINGS
13 AND LOAN ASSOCIATION, CREDIT UNION, PENSION FUND, INSURANCE COMPANY,
14 SCHOOL, OR STATE LENDING AGENCY.

15 S 2. This act shall take effect immediately.

16 S 2. Severability. If any clause, sentence, paragraph, section or part
17 of this act shall be adjudged by any court of competent jurisdiction to
18 be invalid and after exhaustion of all further judicial review, the
19 judgment shall not affect, impair, or invalidate the remainder thereof,
20 but shall be confined in its operation to the clause, sentence, para-
21 graph, section or part of this act directly involved in the controversy
22 in which the judgment shall have been rendered.

23 S 3. This act shall take effect immediately provided, however, that
24 the applicable effective date of Parts A through B of this act shall be
25 as specifically set forth in the last section of such Parts.