

7413

2013-2014 Regular Sessions

I N A S S E M B L Y

May 16, 2013

Introduced by M. of A. COLTON, WEPRIN -- Multi-Sponsored by -- M. of A. CRESPO -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to authorizing a personal income tax deduction for elementary and secondary school teachers for certain expenses incurred for school supplies

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

1 Section 1. Subsection (c) of section 612 of the tax law is amended by
2 adding a new paragraph 40 to read as follows:

3 (40) EXPENSES NOT IN EXCESS OF FOUR HUNDRED FIFTY DOLLARS ACTUALLY
4 INCURRED AND PAID BY AN ELIGIBLE EDUCATOR FOR SCHOOL SUPPLIES, ACTUALLY
5 USED AND USEFUL, TO THE EXTENT NOT DEDUCTIBLE IN DETERMINING FEDERAL
6 ADJUSTED GROSS INCOME AND NOT REIMBURSED. FOR THE PURPOSES OF THIS PARA-
7 GRAPH, THE FOLLOWING TERMS HAVE THE FOLLOWING MEANINGS:

8 (I) "ELIGIBLE EDUCATOR" MEANS A PERSON EMPLOYED AS A TEACHER, INSTRU-
9 TOR, COUNSELOR, PRINCIPAL OR AIDE IN A SCHOOL FOR AT LEAST NINE HUNDRED
10 HOURS DURING A SCHOOL YEAR.

11 (II) "NONPUBLIC SCHOOL" HAS THE SAME MEANING AS PROVIDED FOR SUCH TERM
12 IN SUBPARAGRAPH (B) OF PARAGRAPH THREE OF SUBSECTION (J) OF THIS
13 SECTION.

14 (III) "SCHOOL" MEANS ANY PUBLIC OR NONPUBLIC SCHOOL PROVIDING EDUCA-
15 TION IN ANY GRADE FROM KINDERGARTEN THROUGH TWELFTH.

16 (IV) "SCHOOL SUPPLIES" INCLUDES BOOKS, SUPPLIES (OTHER THAN NON-ATH-
17 LETIC SUPPLIES FOR COURSES OF INSTRUCTION IN HEALTH OR PHYSICAL EDUCA-
18 TION), COMPUTER EQUIPMENT (INCLUDING RELATED SOFTWARE AND SERVICES), AND
19 OTHER EQUIPMENT AND SUPPLEMENTAL MATERIALS USED BY THE ELIGIBLE EDUCATOR
20 IN THE CLASSROOM.

21 S 2. This act shall take effect immediately and shall apply to taxable
22 years beginning on or after January 1, 2014.

FISCAL NOTE.--Pursuant to Legislative Law, Section 50:

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

LBD04180-02-3

This bill would allow eligible educators to deduct up to \$450 annually for the out-of-pocket expenses for school supplies under New York's personal income tax in addition to the existing Federal deduction.

We estimate that this bill would result in a \$1 million revenue loss during SFY 2014-15 and \$3.8 million annually thereafter, if the existing Federal deduction is extended beyond December 31, 2013. Alternatively, if the Federal deduction is not extended, the bill would result in a \$1.7 million revenue loss during SFY 2014-15 and \$6.6 million annually thereafter.

This fiscal note, dated March 14, 2013, was prepared by Scott Palladino, Assistant Deputy Commissioner, Department of Taxation and Finance.