

23--A

2015-2016 Regular Sessions

I N S E N A T E

(PREFILED)

January 7, 2015

Introduced by Sens. LAVALLE, DeFRANCISCO, FLANAGAN, FUNKE, GRIFFO, MARCHIONE, RANZENHOFER, SEWARD -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- recommitted to the Committee on Investigations and Government Operations in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 EIGHTEEN, ten
9 thousand dollars for each such student; FOR TAXABLE YEARS BEGINNING IN
10 TWO THOUSAND EIGHTEEN, TWELVE THOUSAND DOLLARS FOR EACH STUDENT; FOR
11 TAXABLE YEARS BEGINNING IN TWO THOUSAND NINETEEN, FOURTEEN THOUSAND
12 DOLLARS FOR EACH STUDENT; FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND
13 TWENTY, SIXTEEN THOUSAND DOLLARS FOR EACH STUDENT; FOR TAXABLE YEARS
14 BEGINNING IN TWO THOUSAND TWENTY-ONE, EIGHTEEN THOUSAND DOLLARS FOR EACH
15 STUDENT; AND FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND TWENTY-ONE,
16 TWENTY THOUSAND 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:

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

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1 (4) Amount of credit. [If allowable college tuition expenses are less
 2 than five thousand dollars, the amount of the credit provided under this
 3 subsection shall be equal to the applicable percentage of the lesser of
 4 allowable college tuition expenses or two hundred dollars. If allowable
 5 college tuition expenses are five thousand dollars or more, the amount
 6 of the credit provided under this subsection shall be equal to the
 7 applicable percentage of the allowable college tuition expenses multi-
 8 plied by four percent.]

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

11 (A) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO
 12 THOUSAND EIGHTEEN:

13 IF ALLOWABLE COLLEGE TUITION	THE TAX CREDIT IS EQUAL TO:
14 EXPENSES ARE:	
15 LESS THAN FIVE THOUSAND DOLLARS	THE APPLICABLE PERCENTAGE OF THE
	LESSER OF ALLOWABLE COLLEGE TUITION
	EXPENSES OR TWO HUNDRED DOLLARS
18 FIVE THOUSAND DOLLARS OR MORE	THE APPLICABLE PERCENTAGE OF
	ALLOWABLE COLLEGE TUITION EXPENSES
	MULTIPLIED BY FOUR PERCENT

21 (B) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND EIGHTEEN:

22 IF ALLOWABLE COLLEGE TUITION	THE TAX CREDIT IS EQUAL TO:
23 EXPENSES ARE:	
24 LESS THAN SIX THOUSAND DOLLARS	THE LESSER OF ALLOWABLE COLLEGE
	TUITION EXPENSES OR TWO HUNDRED
	FORTY DOLLARS
27 SIX THOUSAND DOLLARS OR MORE	THE ALLOWABLE COLLEGE TUITION
	EXPENSES MULTIPLIED BY FOUR PERCENT

29 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND NINETEEN:

30 IF ALLOWABLE COLLEGE TUITION	THE TAX CREDIT IS EQUAL TO:
31 EXPENSES ARE:	
32 LESS THAN SEVEN THOUSAND DOLLARS	THE LESSER OF ALLOWABLE COLLEGE
	TUITION EXPENSES OR TWO HUNDRED
	EIGHTY DOLLARS
35 SEVEN THOUSAND DOLLARS OR MORE	THE ALLOWABLE COLLEGE TUITION
	EXPENSES MULTIPLIED BY FOUR PERCENT

37 (D) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND TWENTY:

38 IF ALLOWABLE COLLEGE TUITION	THE TAX CREDIT IS EQUAL TO:
39 EXPENSES ARE:	
40 LESS THAN EIGHT THOUSAND DOLLARS	THE LESSER OF ALLOWABLE COLLEGE
	TUITION EXPENSES OR THREE HUNDRED
	TWENTY DOLLARS
43 EIGHT THOUSAND DOLLARS OR MORE	THE ALLOWABLE COLLEGE TUITION
	EXPENSES MULTIPLIED BY FOUR PERCENT

45 (E) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND TWENTY-ONE:

46 IF ALLOWABLE COLLEGE TUITION	THE TAX CREDIT IS EQUAL TO:
47 EXPENSES ARE:	
48 LESS THAN NINE THOUSAND DOLLARS	THE LESSER OF ALLOWABLE COLLEGE
	TUITION EXPENSES OR THREE HUNDRED
	SIXTY DOLLARS
51 NINE THOUSAND DOLLARS OR MORE	THE ALLOWABLE COLLEGE TUITION
	EXPENSES MULTIPLIED BY FOUR PERCENT

53 (F) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND TWENTY-ONE:

54 IF ALLOWABLE COLLEGE TUITION	THE TAX CREDIT IS EQUAL TO:
55 EXPENSES ARE:	
56 LESS THAN TEN THOUSAND DOLLARS	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

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

S 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2018.