

2015-2016 Regular Sessions

I N   A S S E M B L Y

(PREFILED)

January 7, 2015

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Introduced by M. of A. ROZIC, CAMARA, CLARK, COLTON, CUSICK, GOTTFRIED,  
HOOPER, MOSLEY, OTIS, STIRPE -- Multi-Sponsored by -- M. of A. ABBATE,  
ARROYO, COOK, LUPINACCI, RAIA, RIVERA, ROBERTS, SKARTADOS -- read once  
and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing the college  
preparation tax credit act

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

1     Section 1. This act shall be known and may be cited as the "college  
2     preparation tax credit act".  
3     S 2. Section 606 of the tax law is amended by adding a new subsection  
4     (ccc) to read as follows:  
5     (CCC) COLLEGE PREPARATION EXPENSE CREDIT. (1) A RESIDENT TAXPAYER  
6     SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR  
7     ALLOWABLE COLLEGE PREPARATION EXPENSES. EACH TAXABLE YEAR, A CREDIT OF  
8     UP TO FIVE HUNDRED DOLLARS PER CHILD SHALL BE ALLOWED FOR QUALIFIED  
9     COLLEGE PREPARATION EXPENSES PAID OR INCURRED BY THE TAXPAYER DURING  
10    SUCH TAXABLE YEAR. NO CREDIT SHALL BE ALLOWED FOR ANY EXPENSES PAID OR  
11    INCURRED DURING THE TAXABLE YEAR WITH RESPECT TO ANY INDIVIDUAL FOR WHOM  
12    AN ELECTION IS NOT IN EFFECT UNDER THIS SUBSECTION FOR SUCH TAXABLE  
13    YEAR. AN ELECTION MAY NOT BE MADE FOR ANY TAXABLE YEAR IF SUCH AN  
14    ELECTION IS IN EFFECT WITH RESPECT TO SUCH INDIVIDUAL FOR ANY THREE  
15    PRIOR TAXABLE YEARS.  
16    (2) QUALIFIED COLLEGE PREPARATION EXPENSES. FOR PURPOSES OF THIS  
17    SUBSECTION, THE TERM "QUALIFIED COLLEGE PREPARATION EXPENSES" MEANS  
18    AMOUNTS PAID OR INCURRED FOR:  
19    (A) FEES REQUIRED FOR TAKING ANY ADVANCED PLACEMENT OR INTERNATIONAL  
20    BACCALAUREATE EXAM;  
21    (B) FEES REQUIRED FOR TAKING THE SAT, THE ACT, OR ANY SAT SUBJECT  
22    TEST;

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

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1 (C) EXPENSES RELATED TO PREPARATION INCLUDING TUTORIAL SERVICES AND  
2 PREPARATION CLASSES FOR ANY EXAM DESCRIBED IN SUBPARAGRAPH (A) OR (B) OF  
3 THIS PARAGRAPH;

4 (D) FEES AND EXPENSES RELATED TO APPLICATIONS FOR ADMISSION TO PURSUE  
5 A POSTSECONDARY COURSE OF STUDY AT AN ELIGIBLE EDUCATIONAL INSTITUTION;  
6 AND

7 (E) SUCH OTHER SIMILAR EXPENSES AND FEES AS THE COMMISSIONER MAY BY  
8 REGULATION PRESCRIBE.

9 (3) TREATMENT OF EXPENSES PAID BY DEPENDENT. IF A DEDUCTION UNDER THIS  
10 SUBSECTION WITH RESPECT TO AN INDIVIDUAL IS ALLOWED TO ANOTHER TAXPAYER  
11 FOR A TAXABLE YEAR BEGINNING IN THE CALENDAR YEAR IN WHICH SUCH INDIVID-  
12 UAL'S TAXABLE YEAR BEGINS:

13 (A) NO CREDIT SHALL BE ALLOWED UNDER PARAGRAPH ONE OF THIS SUBSECTION  
14 TO SUCH INDIVIDUAL FOR SUCH INDIVIDUAL'S TAXABLE YEAR; AND

15 (B) QUALIFIED COLLEGE PREPARATION EXPENSES PAID BY SUCH INDIVIDUAL  
16 DURING SUCH INDIVIDUAL'S TAXABLE YEAR SHALL BE TREATED FOR PURPOSES OF  
17 THIS SUBSECTION AS PAID BY SUCH OTHER TAXPAYER.

18 S 3. This act shall take effect immediately.