

# STATE OF NEW YORK

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865

2019-2020 Regular Sessions

## IN SENATE

January 9, 2019

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Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to establishing a personal income tax deduction for certain withdrawals from a 401(k) plan by a taxpayer suffering from a terminal illness

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 44 to read as follows:

3 (44) Hardship distributions from a retirement account established  
4 pursuant to section 401(k) of the internal revenue code to the extent  
5 includable in federal adjusted gross income, provided, however, that the  
6 exclusion provided for in this paragraph shall not exceed twenty thou-  
7 sand dollars; provided, further, that such exclusion shall only be  
8 available by reason of a medically determinable physical or mental  
9 impairment of an individual taxpayer which can be expected to result in  
10 death within a period of not more than twelve months.

11 § 2. This act shall take effect immediately and shall apply to the tax  
12 year in which it takes effect and all subsequent tax years.

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

LBD03008-01-9