STATE OF NEW YORK

9037--A

IN SENATE

October 9, 2020

Introduced by Sens. KAPLAN, SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to excluding loan expenses forgiven under the federal paycheck protection program from adjusted gross income

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 43 to read as follows:

(43) In the case of a taxpayer who is a small business, owns an interest in an S corporation that is a small business and for which the election pursuant to subsection (a) of section six hundred sixty of this article has been made, or owns an interest in a partnership that is a small business, expenses funded by proceeds from loans forgiven under the federal paycheck protection program.

§ 2. This act shall take effect immediately and shall apply to tax years beginning on or after January 1, 2020.

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

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