

# STATE OF NEW YORK

5067

2019-2020 Regular Sessions

## IN SENATE

April 5, 2019

Introduced by Sen. THOMAS -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to creating a tax credit for employers who contribute to a college choice tuition savings account on behalf of an employee

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

1 Section 1. Section 210-B of the tax law is amended by adding a new  
2 subdivision 53 to read as follows:

3 53. Employer college choice tuition savings contribution credit. (a)  
4 Allowance of credit. A taxpayer shall be allowed a credit, to be  
5 computed as provided in paragraph (b) of this subdivision, against the  
6 tax imposed by this article, if it provides a contribution, on behalf of  
7 an employee, to a family tuition account established under article four-  
8 teen-A of the education law by such employee.

9 (b) Amount of credit. The credit allowed pursuant to paragraph (a) of  
10 this subdivision shall be in an amount equal to the taxpayer's payment,  
11 on behalf of an employee, to a family tuition account established under  
12 article fourteen-A of the education law by such employee. Provided,  
13 however, that no such credit allowed under this subdivision shall exceed  
14 the exclusion limits set forth in paragraph thirty-two of subsection (c)  
15 of section six hundred twelve of this chapter.

16 (c) Application of credit. The credit allowed under this subdivision  
17 for any taxable year shall not reduce the tax due for such year to less  
18 than the amount prescribed in paragraph (d) of subdivision one of  
19 section two hundred ten of this article. If, however, the amount of  
20 credits allowed under this subdivision for any taxable year reduces the  
21 tax to such amount, any amount of credit thus not deductible in such  
22 taxable year shall be treated as an overpayment of tax to be credited or  
23 refunded in accordance with the provisions of section one thousand  
24 eighty-six of this chapter. Provided, however, the provisions of

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

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subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

§ 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xliv) to read as follows:

<u>(xliv) Employer college</u>	<u>Amount of credit</u>
<u>choice tuition savings</u>	<u>under subdivision</u>
<u>contribution Credit under</u>	<u>fifty-three of section</u>
<u>subsection (jjj)</u>	<u>two hundred ten-B</u>

§ 3. Section 606 of the tax law is amended by adding a new subsection (jjj) to read as follows:

(jjj) Employer college choice tuition savings contribution credit.  
(1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in paragraph two of this subsection, against the tax imposed by this article, if it provides for a contribution, on behalf of an employee, to a family tuition account established under article fourteen-A of the education law by such employee.

(2) Amount of credit. The credit allowed pursuant to paragraph one of this subsection shall be in an amount equal to the taxpayer's contribution, on behalf of an employee, to a family tuition account established under article fourteen-A of the education law by such employee. Provided, however, that no such credit allowed under this subsection shall exceed the exclusion limits set forth in paragraph thirty-two of subsection (c) of section six hundred twelve of this article.

(3) Application of credit. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on and after the first of January next succeeding the date on which it shall have become a law.