

STATE OF NEW YORK

10698

IN ASSEMBLY

September 9, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Reyes) --
read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to including certain student
loan forgiveness amounts as a reduction of federal adjusted gross
income

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 "Tax-free
2 debt forgiveness act".

3 § 2. Subparagraph (A) of paragraph 42 of subsection (c) of section 612
4 of the tax law, as added by chapter 456 of the laws of 2017, is amended
5 to read as follows:

6 (A) The amount of any student loan that is discharged, whether in
7 whole or in part, if such discharge was:

8 (i) pursuant to subsection (a) or (d) of section 437 of the Higher
9 Education Act of 1965 or the parallel benefit provided pursuant to part
10 D of title IV of such act;

11 (ii) pursuant to section 464(c)(1)(F) of the Higher Education Act of
12 1965; ~~[ex]~~

13 (iii) otherwise discharged on account of the death or total and perma-
14 nent disability of the person on whose behalf the indebtedness was
15 incurred; or

16 (iv) any amount discharged or forgiven by the secretary of education
17 pursuant to authorization provided by 20 U.S.C. § 1098aa, 1098bb,
18 1098cc, 1098dd or 1098ee.

19 § 3. This act shall take effect immediately, and shall apply to the
20 taxable year in which it shall take effect and to all subsequent taxable
21 years.

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

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