STATE OF NEW YORK

96

2021-2022 Regular Sessions

IN SENATE

(Prefiled)

January 6, 2021

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 |
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| 2 | subdivision 55 to read as follows: |
| 3 | 55. 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 |
| б | 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 | five thousand dollars per employee. |
| 15 | (c) Application of credit. The credit allowed under this subdivision |
| 16 | for any taxable year shall not reduce the tax due for such year to less |
| 17 | than the amount prescribed in paragraph (d) of subdivision one of |
| 18 | section two hundred ten of this article. If, however, the amount of |
| 19 | credits allowed under this subdivision for any taxable year reduces the |
| 20 | tax to such amount, any amount of credit thus not deductible in such |
| 21 | taxable year shall be treated as an overpayment of tax to be credited or |
| 22 | refunded in accordance with the provisions of section one thousand |
| 23 | eighty-six of this chapter. Provided, however, the provisions of |
| | |

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

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S. 96

| 1 | subsection (c) of section one thousand eighty-eight of this chapter |
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| 2 | <u>notwithstanding, no interest shall be paid thereon.</u> |
| 3 | (d) Credit recapture. For provisions requiring recapture of credit, |
| 4 | see section forty-four of this chapter. |
| 5 | § 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 |
| б | of the tax law is amended by adding a new clause (xlvi) to read as |
| 7 | follows: |
| 8 | (xlvi) Employer college Amount of credit |
| 9 | choice tuition savings under subdivision |
| 10 | contribution credit under <u>fifty-five of section</u> |
| 11 | subsection (kkk) two hundred ten-B |
| 12 | § 3. Section 606 of the tax law is amended by adding a new subsection |
| 13 | (kkk) to read as follows: |
| 14 | (kkk) Employer college choice tuition savings contribution credit. |
| 15 | (1) Allowance of credit. A taxpayer shall be allowed a credit, to be |
| 16 | computed as provided in paragraph two of this subsection, against the |
| 17 | tax imposed by this article, if it provides for a contribution, on |
| 18 | behalf of an employee, to a family tuition account established under |
| 19 | article fourteen-A of the education law by such employee. |
| 20 | (2) Amount of credit. The credit allowed pursuant to paragraph one of |
| 21 | this subsection shall be in an amount equal to the taxpayer's contrib- |
| 22 | ution, on behalf of an employee, to a family tuition account established |
| 23 | under article fourteen-A of the education law by such employee. |
| 24 | Provided, however, that no such credit allowed under this subsection |
| 25 | shall exceed five thousand dollars per employee. |
| 26 | (3) Application of credit. If the amount of the credit allowed under |
| 27 | this subsection for any taxable year shall exceed the taxpayer's tax for |
| 28 | such year, the excess shall be treated as an overpayment of tax to be |
| | |
| | |
| 29 | credited or refunded in accordance with the provisions of section six |
| 29 30 | credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest |
| 29 30 31 | 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. |
| 29 30 31 32 | 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) Credit recapture. For provisions requiring recapture of credit, |
| 29 30 31 32 33 | 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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. |
| 29 30 31 32 33 34 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi-</pre> |
| 29 30 31 32 33 34 35 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows:</pre> |
| 29 30 31 32 33 34 35 36 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) Employer college choice tuition savings contribution credit. (1)</pre> |
| 29 30 31 32 33 34 35 36 37 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) Employer college choice tuition savings contribution credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be</pre> |
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| 29 30 31 32 33 34 35 36 37 38 39 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four-</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 41 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee.</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 41 42 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment,</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, on behalf of an employee, to a family tuition account established under</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, on behalf of an employee, to a family tuition account established under article fourteen-A of the education law by such employee. Provided,</pre> |
| 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, 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 subdivision shall exceed</pre> |
| $\begin{array}{c} 29\\ 30\\ 31\\ 32\\ 33\\ 34\\ 35\\ 36\\ 37\\ 38\\ 39\\ 40\\ 42\\ 43\\ 445\\ 46\\ 47\\ \end{array}$ | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, 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 subdivision shall exceed five thousand dollars per employee.</pre> |
| 29 30 31 32 34 35 36 37 38 30 40 42 43 44 45 46 47 48 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, 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 subdivision shall exceed five thousand dollars per employee. (3) Application of credit. The credit allowed under this subdivision</pre> |
| $\begin{array}{c} 29\\ 30\\ 31\\ 32\\ 33\\ 35\\ 36\\ 37\\ 39\\ 40\\ 42\\ 43\\ 45\\ 46\\ 47\\ 48\\ 49\\ \end{array}$ | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, on behalf of an employee, to a family tuition law by such employee. Provided, however, that no such credit allowed under this subdivision shall exceed five thousand dollars per employee. (3) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum</pre> |
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| 29 31 32 33 35 37 39 41 42 44 45 467 490 51 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, 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 subdivision shall exceed five thousand dollars per employee. (3) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is</pre> |
| 29 31 32 33 35 37 390 412 434 456 478 901 512 52 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, 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 subdivision shall exceed five thousand dollars per employee. (3) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit allowed under this</pre> |
| 29 31 32 33 35 36 37 390 412 445 478 9012 512 525 | <pre>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.</pre> |
| 29 31 32 33 35 37 390 412 434 456 478 901 512 52 | <pre>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) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter. § 4. Section 1511 of the tax law is amended by adding a new subdivi- sion (ee) to read as follows: (ee) 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 (2) of this subdivision, against the tax imposed by this article, if it provides a contribution, on behalf of an employee, to a family tuition account established under article four- teen-A of the education law by such employee. (2) Amount of credit. The credit allowed pursuant to paragraph one of this subdivision shall be in an amount equal to the taxpayer's payment, 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 subdivision shall exceed five thousand dollars per employee. (3) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit allowed under this</pre> |

| 1 | however, the | <u>provisions o</u> | f subsection | (c) of one | thousand ei | <u>ghty-eight</u> |
|---|-----------------------|---------------------|------------------------|-------------|------------------|-------------------|
| 2 | <u>of this chapte</u> | er notwithstan | <u>ding, no inte</u> : | rest shall | be paid the | ereon. |
| 3 | (4) Credit | recapture. | For provision | s requiring | <u>recapture</u> | of credit, |
| 4 | <u>see section fo</u> | orty-four of t | <u>his chapter.</u> | | | |
| 5 | § 5. This ac | ct shall take | effect immedia | ately and s | hall apply | to taxable |
| - | | 1 6 | | _ | | |

6 years beginning on and after the first of January next succeeding the 7 date on which it shall have become a law.