STATE OF NEW YORK

4103

2025-2026 Regular Sessions

IN SENATE

January 31, 2025

Introduced by Sens. PARKER, FERNANDEZ -- 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 providing an earned income tax credit to youth workers, increasing the standard deduction and providing for the deduction of student loan interest; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (d-2) to read as follows:

(d-2) Earned income tax credit for youth workers. (1) A taxpayer described in paragraph two of this subsection shall be allowed a credit equal to the product of one and three-tenths and the amount of the earned income tax credit that would have been allowed to the taxpayer under section 32 of the internal revenue code, if the taxpayer had attained the minimum age of eligibility for such earned income tax credit set forth in section 32(c)(1)(A)(ii)(II) of the internal revenue code.

(2) To be allowed a credit under this subsection, a taxpayer shall satisfy all of the following qualifications:

(A) The taxpayer shall be a resident taxpayer who is not claimed as a dependent of another taxpayer.

(B) The taxpayer shall have attained the age of seventeen and shall not have attained the minimum age at which a taxpayer is qualified for the earned income tax credit as such age is set forth in section 32(c)(1)(A)(ii)(II) of the internal revenue code.

(C) The taxpayer shall not be the custodial or non-custodial parent of a minor child or children.

(3) Nothing in this section shall be deemed to prohibit the qualifications of a taxpayer who is otherwise eligible for the earned income tax

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

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credit and who is enrolled in a full-time or part-time academic program leading to completion of a high school diploma, general equivalency diploma, post-secondary certificate or work readiness credential, associate degree or baccalaureate degree.

(4) Reports. The commissioner shall prepare a preliminary written report after July thirty-first and a final written report after December thirty-first of each calendar year, which shall contain statistical information regarding the credits granted on or before such dates under this subsection during such calendar year. Copies of these reports shall be submitted by such commissioner to the governor, the temporary president of the senate, the speaker of the assembly, the chair of the senate finance committee and the chair of the assembly ways and means committee within sixty days of July thirty-first with respect to the preliminary report, and within forty-five days of December thirty-first with respect to the final report. Such reports shall contain, but need not be limited to, the number of credits and the average amount of such credits allowed. Such information shall include the number of credits and the average amount of such credits allowed; and of those, the number of credits and the average amounts of such credits allowed to taxpayers in each county.

§ 2. Subsection (a) of section 614 of the tax law, as amended by section 1 of part JJ of chapter 59 of the laws of 2018, is amended to read as follows:

(a) Unmarried individual. For taxable years beginning after nineteen hundred ninety-six, the New York standard deduction of a resident individual who is not married nor the head of a household nor a surviving spouse nor an individual who is claimed as a dependent by another New York state taxpayer shall be seven thousand five hundred dollars; for taxable years beginning in nineteen hundred ninety-six, such standard deduction shall be seven thousand four hundred dollars; for taxable years beginning in nineteen hundred ninety-five, such standard deduction shall be six thousand six hundred dollars; and for taxable years beginning after nineteen hundred eighty-nine and before nineteen hundred ninety-five, such standard deduction shall be six thousand dollars. For taxable years beginning after two thousand twenty-six, the New York standard deduction of a resident individual who is between the ages of eighteen and twenty-four and who is not married nor the head of a household nor a surviving spouse nor an individual whose federal exemption amount is zero shall be ten thousand dollars.

§ 3. Section 615 of the tax law is amended by adding a new subsection (h) to read as follows:

(h) For taxable years beginning on and after January first, two thousand twenty-six, in the case of a resident individual, there shall be allowed as a deduction for the taxable year an amount equal to the interest paid by the taxpayer during the taxable year on any qualified education loan to the extent and as provided in section 221 of the Internal Revenue Code.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2026 and shall expire and be deemed repealed December 31, 2031.