# STATE OF NEW YORK

10734

# IN SENATE

November 9, 2026

Introduced by Sens. LIU, BRISPORT, JACKSON, KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the education law, in relation to the election to participate in the federal education tax credit program; and to amend the tax law, in relation to the powers of the commissioner of taxation and finance

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

Section 1. The education law is amended by adding a new section 101-c to read as follows:

**§ 101-c. Participation in the federal scholarship tax credit program. 1. Notwithstanding any provision of law to the contrary, the board of regents is designated under state law as the sole entity authorized to make the election on behalf of the state with respect to federal tax benefits under 26 U.S.C. § 25F, including to elect whether the state shall participate in the federal qualified elementary and secondary education scholarships program pursuant to 26 U.S.C. § 25F, or any successor program, and shall be the sole entity to determine and provide the state's list of qualified scholarship granting organizations to the Secretary of the Treasury pursuant to 26 U.S.C. § 25F (g)(1).**

**2. No other state officer, employee, board, department, commission or other entity shall be authorized under state law to make an election on behalf of the state to participate in the federal tax credit program established under 26 U.S.C. § 25F. Any election made by a state officer, employee, board, department, commission or any entity other than the board of regents is void and shall have no effect.**

§ 2. Section 171 of the tax law is amended by adding a new subdivision twenty-ninth to read as follows:

**Twenty-ninth. Notwithstanding any other provision of law, the commissioner shall not elect, or take any action to implement an election on behalf of the state, to participate in the federal scholarship tax credit program established under 26 U.S.C. § 25F unless the board of regents**

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

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**has elected on behalf of the state to participate in such program pursuant to section one hundred one-c of the education law.**

§ 3. The board of regents may promulgate any and all rules and regulations and take any other measures necessary to implement this act on on or before its effective date.

§ 4. This act shall take effect immediately and shall apply to taxable years commencing on and after January 1, 2028.