STATE OF NEW YORK

1821

2025-2026 Regular Sessions

IN SENATE

January 14, 2025

Introduced by Sen. 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 establishing a reduction of certain taxpayer's federal adjusted gross income, for state personal income tax purposes, for student loan interest payments made by the taxpayer

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

Section 1. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 48 to read as follows:

(48)(A) (i) For a taxpayer who files singly or as the head of a household with a federal adjusted income, without the deduction of any interest paid on student loans, of not less than sixty-five thousand dollars nor more than eighty thousand dollars, the difference between the interest paid on student loans by the taxpayer, in an amount not to exceed two thousand five hundred dollars, and the amount of such interest deducted by such taxpayer to calculate their federal adjusted gross income; and

(ii) For a taxpayer who files singly or as the head of a household with a federal adjusted gross income of not less than eighty thousand dollars, nor more than one hundred twenty-five thousand dollars, interest, in an amount not to exceed two thousand five hundred dollars, paid on indebtedness incurred from a student loan; and

(iii) For married taxpayers filing jointly with a federal adjusted gross income, without the deduction of any interest paid on student loans, of not less than one hundred thirty thousand dollars, nor more than one hundred sixty thousand dollars, the difference between the interest paid on student loans by the taxpayers, in an amount not to exceed two thousand five hundred dollars, and the amount of such interest deducted by such taxpayers to calculate their federal adjusted gross income; and

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

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(iv) For married taxpayers filing jointly with a federal adjusted gross income of not less than one hundred sixty thousand dollars, nor more than two hundred fifty thousand dollars, interest, in an amount not to exceed two thousand five hundred dollars, paid on indebtedness incurred from a student loan.

(B) For the purposes of this paragraph, "student loan" shall have the same meaning as ascribed to such term by subparagraph (B) of paragraph forty-two of this subsection, as added by chapter four hundred fifty-six of the laws of two thousand seventeen.

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