



NEW YORK STATE SENATOR

William Larkin

## Senator Larkin: A More Affordable College Degree

[WILLIAM LARKIN](#) March 15, 2016

Senator Bill Larkin (R-39<sup>th</sup>) today announced that the Senate budget would include new and enhanced measures to provide significant savings for college students while also rejecting the use of taxpayers' money to give tuition to illegal immigrants. The Senate's budget proposal provides \$87 million to expand the income eligibility and award amounts for the Tuition Assistance Program and includes a total of \$295 million in tax savings, with an increase in the tuition tax credit and creation of a new state income tax exemption.

"The cost of earning a college degree has skyrocketed in recent years, making the goal of earning one's diploma unreachable for some and a costly expense for many others. We must continue to work at making college more affordable for working families to ensure that they have the ability to get ahead in life without mountains of student loan debt," said Senator Larkin. "The proposals in the Senate's budget are an important step at making sure college is more affordable and accessible to the sons and daughters of New York's hardworking middle-class families."

### **\$87 Million TAP Increase**

The Senate's proposal focuses on reducing college costs and includes a significant increase in support for the Tuition Assistance Program (TAP). The Senate budget increases income eligibility and TAP awards so that more middle class families can receive help. When fully

implemented in fall 2017, the Senate proposal will provide \$87 million in additional TAP awards, with a guarantee of \$1,000 to any student from a family with a net taxable income of less than \$100,000 - up from \$80,000. The increase is over two years, with \$38 million in additional TAP awards starting in fall 2016 and \$49 million in fall 2017.

### **New Tax Exemption to Save \$40 Million on Student Loan Payments**

The Senate budget proposal creates a new state income tax exemption for student loan interest, saving eligible New Yorkers a total of \$40 million. Similar to the exemption already authorized by the federal government to reduce taxpayers' gross income, the state would allow individuals to reduce their adjusted gross income by up to \$2,500. The limit on modified adjusted gross income is \$160,000 if married filing a joint return and \$80,000 if single, head of household or qualifying widow(er).

### **\$255 Million Tuition Tax Credit Increase**

The Senate increases the amount of the tuition tax credit to save students and their families a total of \$55 million in the first year, and \$255 million when fully implemented in 2022. The measure doubles the amount of qualified college expenses that can be claimed from \$10,000 to \$20,000 over five years; doubles the maximum amount of the credit allowed from \$400 to \$800 over five years; and indexes the qualified expenses and credit to the rate of inflation of the Higher Education Price Index (HEPI).

### **To help secure needed funding for the \$87 million college affordability plan, the legislation rejects the controversial use of taxpayer dollars to fund college tuition for illegal immigrants**

The Senate rejected an Executive Budget proposal that would cost state taxpayers \$27 million and reward people who are here illegally by giving them free college tuition. The measure would have extended all other criteria, exemptions or opportunities found within the education law - including all scholarship and tuition assistance programs funded with state tax dollars - to illegal immigrants while hardworking, middle-class families are already

being forced to take out massive college loans to pay for higher education.