



AN ACT CONCERNING HIGHER EDUCATION AFFORDABILITY AND GRADUATE RETENTION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10a-174 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 (a) As used in this section:

4 (1) "Award" means the greater of: (A) The unpaid portion, if any, of a
5 qualifying student's eligible institutional costs after subtracting his or
6 her financial aid, or (B) a minimum award of [two hundred fifty] one
7 thousand dollars for a full-time student or [one hundred fifty] six
8 hundred dollars for a part-time student;

9 (2) "Eligible institutional costs" means the tuition and required fees
10 incurred each semester by an individual student that are established by
11 the Board of Regents for Higher Education for the regional community-
12 technical colleges;

13 (3) "Financial aid" means the sum of all scholarships, grants and
14 federal, state and institutional aid received by a qualifying student.
15 "Financial aid" does not include any federal, state or private student
16 loans received by a qualifying student;

17 (4) "Qualifying student" means any person who (A) graduated from

18 a public or nonpublic high school in the state, (B) enrolls as a full-time
19 or part-time student for the fall semester of 2020, or any semester
20 thereafter, [for the first time] at a regional community-technical college
21 in a program leading to a degree or certificate, [and continues to be
22 enrolled as a full-time or part-time student at a regional community-
23 technical college,] (C) is classified as an in-state student pursuant to
24 section 10a-29, (D) is making satisfactory academic progress while
25 enrolled at a regional community-technical college, (E) has completed
26 the Free Application for Federal Student Aid, and (F) has accepted all
27 available financial aid;

28 (5) "Full-time student" means a student who is enrolled at a regional
29 community-technical college and (A) is carrying twelve or more credit
30 hours in a semester, or (B) has a learning disability documented with
31 the regional community-technical college in which he or she is enrolled
32 and is enrolled in the maximum number of credit hours that is feasible
33 for such student to attempt in a semester, as determined by such
34 student's academic advisor;

35 (6) "Semester" means the fall or spring semester of an academic year.
36 "Semester" does not include a summer semester or session; and

37 (7) "Part-time student" means a student who is enrolled at a regional
38 community-technical college and is carrying not less than six but fewer
39 than twelve credit hours in a semester.

40 (b) [Not later than January 1, 2020, the] The Board of Regents for
41 Higher Education shall (1) establish a debt-free community college
42 program to make awards to qualifying students each semester, (2) adopt
43 rules, procedures and forms necessary to implement the debt-free
44 community college program, and (3) submit a report outlining such
45 rules, procedures and forms, in accordance with the provisions of
46 section 11-4a, to the joint standing committee of the General Assembly
47 having cognizance of matters relating to higher education.

48 (c) For the fall semester of 2020, and each semester thereafter, the

49 Board of Regents for Higher Education shall make awards to qualifying
50 students within available appropriations. An award shall be available
51 to a qualifying student for the first seventy-two credit hours earned by
52 the qualifying student [during the first forty-eight months that such
53 student is enrolled] at a regional community-technical college, provided
54 the qualifying student meets and continues to meet the requirements of
55 this section. The board shall not use an award to supplant any financial
56 aid, including, but not limited to, state or institutional aid, otherwise
57 available to a qualifying student.

58 [(d) (1) Any qualifying student who takes an administratively
59 approved medical or personal leave of absence from a regional
60 community-technical college may continue to qualify for the debt-free
61 community college program upon resuming his or her enrollment as a
62 student at a regional community-technical college, provided such
63 student (A) continues to meet the requirements of this section upon
64 reenrollment, and (B) the total amount of time of all approved leaves of
65 absence does not exceed six months.

66 (2) Any qualifying student who is a member of the armed forces
67 called to active duty during any semester may continue to qualify for
68 the debt-free community college program upon resuming his or her
69 enrollment as a student at a regional community-technical college,
70 provided such student (A) continues to meet the requirements of this
71 section upon reenrollment, and (B) reenrolls not later than four years
72 after the date on which such student is released from active duty.]

73 [(e)] (d) Not later than March 1, 2021, and October 1, 2021, and each
74 semester thereafter, the Board of Regents for Higher Education shall
75 report, in accordance with the provisions of section 11-4a, to the joint
76 standing committees of the General Assembly having cognizance of
77 matters relating to higher education and employment advancement and
78 appropriations and the budgets of the state agencies regarding the debt-
79 free community college program, including, but not limited to, (1) the
80 number of qualifying students enrolled at the regional community-
81 technical colleges during each semester, (2) the number of qualifying

82 students receiving minimum awards and the number of qualifying
83 students receiving awards for the unpaid portion of eligible institutional
84 costs, (3) the average number of credit hours the qualifying students
85 enrolled in each semester and the average number of credit hours the
86 qualifying students completed each semester, (4) the average amount of
87 the award made to qualifying students under this section for the unpaid
88 portion of eligible institutional costs, and (5) the completion rates of
89 qualifying students receiving awards under this section by degree or
90 certificate program.

91 Sec. 2. (*Effective July 1, 2023*) For the fiscal year ending June 30, 2024,
92 any amount allocated to the regional community-technical college
93 system under the Roberta B. Willis Scholarship program, established
94 pursuant to section 10a-173 of the general statutes, from the federal
95 funds designated for the state pursuant to the provisions of Section 602
96 of Subtitle M of Title IX of the American Rescue Plan Act of 2021, P.L.
97 117-2, as amended from time to time, for the fiscal year ending June 30,
98 2023, shall be reallocated to the Connecticut State University System to
99 be expended, in accordance with section 10a-173 of the general statutes,
100 as grants under the Roberta B. Willis Scholarship program.

101 Sec. 3. (NEW) (*Effective July 1, 2023*) (a) The Connecticut Higher
102 Education Supplemental Loan Authority shall establish, subject to
103 available funding pursuant to section 4 of this act, the Student Loan
104 Subsidy Program for the purpose of subsidizing interest rates on
105 authority loans, as defined in subdivision (3) of section 10a-223 of the
106 general statutes, to individuals employed in certain high-demand
107 professions, as specified by the Chief Workforce Officer, and who meet
108 the eligibility criteria established by the authority and the Chief
109 Workforce Officer pursuant to subsection (b) of this section.

110 (b) The authority and the Office of Workforce Strategy shall jointly
111 establish the eligibility criteria and administrative guidelines for the
112 Student Loan Subsidy Program. Such eligibility criteria and guidelines
113 shall include, but need not be limited to, (1) applicant eligibility, (2)
114 interest rate subsidies and principal limits on authority loans subject to

115 the Student Loan Subsidy Program, (3) the process for verifying the
116 employment of the applicants, and (4) the requirement that an interest
117 rate subsidy through the Student Loan Subsidy Program shall terminate
118 for any subsidy recipient who ceases to meet the employment
119 requirements of said program during the term of such recipient's loan
120 from the authority.

121 (c) Not later than September 1, 2023, the Chief Workforce Officer shall
122 identify, and annually update, professions that are in high demand by
123 employers in the state for the purpose of qualifying individuals
124 employed in such professions for the Student Loan Subsidy Program.

125 Sec. 4. (NEW) (*Effective July 1, 2023*) The Connecticut Higher
126 Education Supplemental Loan Authority shall maintain a separate,
127 nonlapsing account to hold funds for the Student Loan Subsidy
128 Program established pursuant to section 3 of this act. The account shall
129 contain any moneys required by law to be deposited in the account,
130 including, but not limited to, state appropriations or proceeds from the
131 sale of bonds authorized under section 5 of this act. Moneys in the
132 account shall be expended by the authority for the purposes of the
133 Student Loan Subsidy Program and for reasonable and necessary
134 expenses for the administration of said program.

135 Sec. 5. (NEW) (*Effective July 1, 2023*) (a) For the purposes described in
136 subsection (b) of this section and section 3 of this act, the State Bond
137 Commission shall have the power from time to time to authorize the
138 issuance of bonds of the state in one or more series and in principal
139 amounts not exceeding seven million dollars annually.

140 (b) The proceeds of the sale of such bonds, to the extent of the amount
141 stated in subsection (a) of this section, shall be used by the Connecticut
142 Higher Education Supplemental Loan Authority for the purpose of the
143 Student Loan Subsidy Program established under section 3 of this act.

144 (c) All provisions of section 3-20 of the general statutes, or the exercise
145 of any right or power granted thereby, that are not inconsistent with the

146 provisions of this section are hereby adopted and shall apply to all
147 bonds authorized by the State Bond Commission pursuant to this
148 section. Temporary notes in anticipation of the money to be derived
149 from the sale of any such bonds so authorized may be issued in
150 accordance with section 3-20 of the general statutes and from time to
151 time renewed. Such bonds shall mature at such time or times not
152 exceeding twenty years from their respective dates as may be provided
153 in or pursuant to the resolution or resolutions of the State Bond
154 Commission authorizing such bonds. None of such bonds shall be
155 authorized except upon a finding by the State Bond Commission that
156 there has been filed with it a request for such authorization that is signed
157 by or on behalf of the Secretary of the Office of Policy and Management
158 and states such terms and conditions as said commission, in its
159 discretion, may require. Such bonds issued pursuant to this section shall
160 be general obligations of the state and the full faith and credit of the state
161 of Connecticut are pledged for the payment of the principal of and
162 interest on such bonds as the same become due, and accordingly and as
163 part of the contract of the state with the holders of such bonds,
164 appropriation of all amounts necessary for punctual payment of such
165 principal and interest is hereby made, and the State Treasurer shall pay
166 such principal and interest as the same become due.

167 Sec. 6. Subparagraph (B) of subdivision (20) of subsection (a) of
168 section 12-701 of the general statutes is repealed and the following is
169 substituted in lieu thereof (*Effective January 1, 2024*):

170 (B) There shall be subtracted therefrom:

171 (i) To the extent properly includable in gross income for federal
172 income tax purposes, any income with respect to which taxation by any
173 state is prohibited by federal law;

174 (ii) To the extent allowable under section 12-718, exempt dividends
175 paid by a regulated investment company;

176 (iii) To the extent properly includable in gross income for federal

177 income tax purposes, the amount of any refund or credit for
178 overpayment of income taxes imposed by this state, or any other state
179 of the United States or a political subdivision thereof, or the District of
180 Columbia;

181 (iv) To the extent properly includable in gross income for federal
182 income tax purposes and not otherwise subtracted from federal
183 adjusted gross income pursuant to clause (x) of this subparagraph in
184 computing Connecticut adjusted gross income, any tier 1 railroad
185 retirement benefits;

186 (v) To the extent any additional allowance for depreciation under
187 Section 168(k) of the Internal Revenue Code for property placed in
188 service after September 27, 2017, was added to federal adjusted gross
189 income pursuant to subparagraph (A)(ix) of this subdivision in
190 computing Connecticut adjusted gross income, twenty-five per cent of
191 such additional allowance for depreciation in each of the four
192 succeeding taxable years;

193 (vi) To the extent properly includable in gross income for federal
194 income tax purposes, any interest income from obligations issued by or
195 on behalf of the state of Connecticut, any political subdivision thereof,
196 or public instrumentality, state or local authority, district or similar
197 public entity created under the laws of the state of Connecticut;

198 (vii) To the extent properly includable in determining the net gain or
199 loss from the sale or other disposition of capital assets for federal income
200 tax purposes, any gain from the sale or exchange of obligations issued
201 by or on behalf of the state of Connecticut, any political subdivision
202 thereof, or public instrumentality, state or local authority, district or
203 similar public entity created under the laws of the state of Connecticut,
204 in the income year such gain was recognized;

205 (viii) Any interest on indebtedness incurred or continued to purchase
206 or carry obligations or securities the interest on which is subject to tax
207 under this chapter but exempt from federal income tax, to the extent that

208 such interest on indebtedness is not deductible in determining federal
209 adjusted gross income and is attributable to a trade or business carried
210 on by such individual;

211 (ix) Ordinary and necessary expenses paid or incurred during the
212 taxable year for the production or collection of income which is subject
213 to taxation under this chapter but exempt from federal income tax, or
214 the management, conservation or maintenance of property held for the
215 production of such income, and the amortizable bond premium for the
216 taxable year on any bond the interest on which is subject to tax under
217 this chapter but exempt from federal income tax, to the extent that such
218 expenses and premiums are not deductible in determining federal
219 adjusted gross income and are attributable to a trade or business carried
220 on by such individual;

221 (x) (I) For taxable years commencing prior to January 1, 2019, for a
222 person who files a return under the federal income tax as an unmarried
223 individual whose federal adjusted gross income for such taxable year is
224 less than fifty thousand dollars, or as a married individual filing
225 separately whose federal adjusted gross income for such taxable year is
226 less than fifty thousand dollars, or for a husband and wife who file a
227 return under the federal income tax as married individuals filing jointly
228 whose federal adjusted gross income for such taxable year is less than
229 sixty thousand dollars or a person who files a return under the federal
230 income tax as a head of household whose federal adjusted gross income
231 for such taxable year is less than sixty thousand dollars, an amount
232 equal to the Social Security benefits includable for federal income tax
233 purposes;

234 (II) For taxable years commencing prior to January 1, 2019, for a
235 person who files a return under the federal income tax as an unmarried
236 individual whose federal adjusted gross income for such taxable year is
237 fifty thousand dollars or more, or as a married individual filing
238 separately whose federal adjusted gross income for such taxable year is
239 fifty thousand dollars or more, or for a husband and wife who file a
240 return under the federal income tax as married individuals filing jointly

241 whose federal adjusted gross income from such taxable year is sixty
242 thousand dollars or more or for a person who files a return under the
243 federal income tax as a head of household whose federal adjusted gross
244 income for such taxable year is sixty thousand dollars or more, an
245 amount equal to the difference between the amount of Social Security
246 benefits includable for federal income tax purposes and the lesser of
247 twenty-five per cent of the Social Security benefits received during the
248 taxable year, or twenty-five per cent of the excess described in Section
249 86(b)(1) of the Internal Revenue Code;

250 (III) For the taxable year commencing January 1, 2019, and each
251 taxable year thereafter, for a person who files a return under the federal
252 income tax as an unmarried individual whose federal adjusted gross
253 income for such taxable year is less than seventy-five thousand dollars,
254 or as a married individual filing separately whose federal adjusted gross
255 income for such taxable year is less than seventy-five thousand dollars,
256 or for a husband and wife who file a return under the federal income tax
257 as married individuals filing jointly whose federal adjusted gross
258 income for such taxable year is less than one hundred thousand dollars
259 or a person who files a return under the federal income tax as a head of
260 household whose federal adjusted gross income for such taxable year is
261 less than one hundred thousand dollars, an amount equal to the Social
262 Security benefits includable for federal income tax purposes; and

263 (IV) For the taxable year commencing January 1, 2019, and each
264 taxable year thereafter, for a person who files a return under the federal
265 income tax as an unmarried individual whose federal adjusted gross
266 income for such taxable year is seventy-five thousand dollars or more,
267 or as a married individual filing separately whose federal adjusted gross
268 income for such taxable year is seventy-five thousand dollars or more,
269 or for a husband and wife who file a return under the federal income tax
270 as married individuals filing jointly whose federal adjusted gross
271 income from such taxable year is one hundred thousand dollars or more
272 or for a person who files a return under the federal income tax as a head
273 of household whose federal adjusted gross income for such taxable year

274 is one hundred thousand dollars or more, an amount equal to the
275 difference between the amount of Social Security benefits includable for
276 federal income tax purposes and the lesser of twenty-five per cent of the
277 Social Security benefits received during the taxable year, or twenty-five
278 per cent of the excess described in Section 86(b)(1) of the Internal
279 Revenue Code;

280 (xi) To the extent properly includable in gross income for federal
281 income tax purposes, any amount rebated to a taxpayer pursuant to
282 section 12-746;

283 (xii) To the extent properly includable in the gross income for federal
284 income tax purposes of a designated beneficiary, any distribution to
285 such beneficiary from any qualified state tuition program, as defined in
286 Section 529(b) of the Internal Revenue Code, established and
287 maintained by this state or any official, agency or instrumentality of the
288 state;

289 (xiii) To the extent allowable under section 12-701a, contributions to
290 accounts established pursuant to any qualified state tuition program, as
291 defined in Section 529(b) of the Internal Revenue Code, established and
292 maintained by this state or any official, agency or instrumentality of the
293 state;

294 (xiv) To the extent properly includable in gross income for federal
295 income tax purposes, the amount of any Holocaust victims' settlement
296 payment received in the taxable year by a Holocaust victim;

297 (xv) To the extent properly includable in gross income for federal
298 income tax purposes of an account holder, as defined in section 31-
299 51ww, interest earned on funds deposited in the individual
300 development account, as defined in section 31-51ww, of such account
301 holder;

302 (xvi) To the extent properly includable in the gross income for federal
303 income tax purposes of a designated beneficiary, as defined in section
304 3-123aa, interest, dividends or capital gains earned on contributions to

305 accounts established for the designated beneficiary pursuant to the
306 Connecticut Homecare Option Program for the Elderly established by
307 sections 3-123aa to 3-123ff, inclusive;

308 (xvii) To the extent properly includable in gross income for federal
309 income tax purposes, any income received from the United States
310 government as retirement pay for a retired member of (I) the Armed
311 Forces of the United States, as defined in Section 101 of Title 10 of the
312 United States Code, or (II) the National Guard, as defined in Section 101
313 of Title 10 of the United States Code;

314 (xviii) To the extent properly includable in gross income for federal
315 income tax purposes for the taxable year, any income from the discharge
316 of indebtedness in connection with any reacquisition, after December
317 31, 2008, and before January 1, 2011, of an applicable debt instrument or
318 instruments, as those terms are defined in Section 108 of the Internal
319 Revenue Code, as amended by Section 1231 of the American Recovery
320 and Reinvestment Act of 2009, to the extent any such income was added
321 to federal adjusted gross income pursuant to subparagraph (A)(xi) of
322 this subdivision in computing Connecticut adjusted gross income for a
323 preceding taxable year;

324 (xix) To the extent not deductible in determining federal adjusted
325 gross income, the amount of any contribution to a manufacturing
326 reinvestment account established pursuant to section 32-9zz in the
327 taxable year that such contribution is made;

328 (xx) To the extent properly includable in gross income for federal
329 income tax purposes, (I) for the taxable year commencing January 1,
330 2015, ten per cent of the income received from the state teachers'
331 retirement system, (II) for the taxable years commencing January 1,
332 2016, to January 1, 2020, inclusive, twenty-five per cent of the income
333 received from the state teachers' retirement system, and (III) for the
334 taxable year commencing January 1, 2021, and each taxable year
335 thereafter, fifty per cent of the income received from the state teachers'
336 retirement system or, for a taxpayer whose federal adjusted gross

337 income does not exceed the applicable threshold under clause (xxi) of
338 this subparagraph, the percentage pursuant to said clause of the income
339 received from the state teachers' retirement system, whichever
340 deduction is greater;

341 (xxi) To the extent properly includable in gross income for federal
342 income tax purposes, except for retirement benefits under clause (iv) of
343 this subparagraph and retirement pay under clause (xvii) of this
344 subparagraph, for a person who files a return under the federal income
345 tax as an unmarried individual whose federal adjusted gross income for
346 such taxable year is less than seventy-five thousand dollars, or as a
347 married individual filing separately whose federal adjusted gross
348 income for such taxable year is less than seventy-five thousand dollars,
349 or as a head of household whose federal adjusted gross income for such
350 taxable year is less than seventy-five thousand dollars, or for a husband
351 and wife who file a return under the federal income tax as married
352 individuals filing jointly whose federal adjusted gross income for such
353 taxable year is less than one hundred thousand dollars, (I) for the taxable
354 year commencing January 1, 2019, fourteen per cent of any pension or
355 annuity income, (II) for the taxable year commencing January 1, 2020,
356 twenty-eight per cent of any pension or annuity income, (III) for the
357 taxable year commencing January 1, 2021, forty-two per cent of any
358 pension or annuity income, and (IV) for the taxable year commencing
359 January 1, 2022, and each taxable year thereafter, one hundred per cent
360 of any pension or annuity income;

361 (xxii) The amount of lost wages and medical, travel and housing
362 expenses, not to exceed ten thousand dollars in the aggregate, incurred
363 by a taxpayer during the taxable year in connection with the donation
364 to another person of an organ for organ transplantation occurring on or
365 after January 1, 2017;

366 (xxiii) To the extent properly includable in gross income for federal
367 income tax purposes, the amount of any financial assistance received
368 from the Crumbling Foundations Assistance Fund or paid to or on
369 behalf of the owner of a residential building pursuant to sections 8-442

370 and 8-443;

371 (xxiv) To the extent properly includable in gross income for federal
372 income tax purposes, the amount calculated pursuant to subsection (b)
373 of section 12-704g for income received by a general partner of a venture
374 capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to
375 time;

376 (xxv) To the extent any portion of a deduction under Section 179 of
377 the Internal Revenue Code was added to federal adjusted gross income
378 pursuant to subparagraph (A)(xiv) of this subdivision in computing
379 Connecticut adjusted gross income, twenty-five per cent of such
380 disallowed portion of the deduction in each of the four succeeding
381 taxable years;

382 (xxvi) To the extent properly includable in gross income for federal
383 income tax purposes, for a person who files a return under the federal
384 income tax as an unmarried individual whose federal adjusted gross
385 income for such taxable year is less than seventy-five thousand dollars,
386 or as a married individual filing separately whose federal adjusted gross
387 income for such taxable year is less than seventy-five thousand dollars,
388 or as a head of household whose federal adjusted gross income for such
389 taxable year is less than seventy-five thousand dollars, or for a husband
390 and wife who file a return under the federal income tax as married
391 individuals filing jointly whose federal adjusted gross income for such
392 taxable year is less than one hundred thousand dollars, (I) for the taxable
393 year commencing January 1, 2023, twenty-five per cent of any
394 distribution from an individual retirement account other than a Roth
395 individual retirement account, (II) for the taxable year commencing
396 January 1, 2024, fifty per cent of any distribution from an individual
397 retirement account other than a Roth individual retirement account, (III)
398 for the taxable year commencing January 1, 2025, seventy-five per cent
399 of any distribution from an individual retirement account other than a
400 Roth individual retirement account, and (IV) for the taxable year
401 commencing January 1, 2026, and each taxable year thereafter, any
402 distribution from an individual retirement account other than a Roth

403 individual retirement account; [and]

404 (xxvii) To the extent properly includable in gross income for federal
405 income tax purposes, for the taxable year commencing January 1, 2022,
406 the amount or amounts paid or otherwise credited to any eligible
407 resident of this state under (I) the 2020 Earned Income Tax Credit
408 enhancement program from funding allocated to the state through the
409 Coronavirus Relief Fund established under the Coronavirus Aid, Relief,
410 and Economic Security Act, P.L. 116-136, and (II) the 2021 Earned
411 Income Tax Credit enhancement program from funding allocated to the
412 state pursuant to Section 9901 of Subtitle M of Title IX of the American
413 Rescue Plan Act of 2021, P.L. 117-2; and

414 (xxviii) To the extent not deductible in determining federal adjusted
415 gross income, and to the extent allowable under section 7 of this act, the
416 amount of interest paid during the taxable year on a student loan.

417 Sec. 7. (NEW) (*Effective January 1, 2024, and applicable to taxable years*
418 *commencing on or after January 1, 2024*) (a) For the purposes of this section:

419 (1) "Qualified student loan" means a loan taken out solely to pay
420 qualified education expenses (A) for the taxpayer, the taxpayer's spouse
421 or a person who was a dependent of the taxpayer at the time when the
422 taxpayer took out the loan, (B) paid or incurred within a reasonable
423 period of time before or after the taxpayer took out the loan, (C) from a
424 private or governmental lender, and (D) for education provided during
425 an academic period for an eligible student;

426 (2) "Qualified education expenses" means the total costs of attending
427 an eligible institution of higher education, including graduate school,
428 and includes amounts paid for the following items: (A) Tuition and fees;
429 (B) room and board, provided the cost of room and board qualifies only
430 to the extent that it is not more than the greater of (i) the allowance for
431 room and board, as determined by the eligible institution of higher
432 education, that was included in the cost of attendance for a particular
433 academic period and living arrangement of the student, or (ii) the actual

434 amount charged if the student is residing in housing owned or operated
435 by the eligible institution of higher education; (C) books, supplies and
436 equipment; and (D) other necessary expenses, including, but not limited
437 to, transportation;

438 (3) "Eligible institution of higher education" means any institution of
439 higher education that is eligible to participate in a student aid program
440 administered by the United States Department of Education; and

441 (4) "Eligible student" means a student who is or was enrolled at least
442 part time in a certificate or degree program at an eligible institution of
443 higher education.

444 (b) The maximum annual modification under subparagraph
445 (B)(xxviii) of subdivision (20) of subsection (a) of section 12-701 of the
446 general statutes, as amended by this act, shall be equal to the amount of
447 interest paid on a qualified student loan, but shall not exceed two
448 thousand five hundred dollars for each taxpayer, provided (1) the
449 taxpayer's filing status is any filing status except married filing
450 separately, (2) the taxpayer's modified adjusted gross income is not
451 more than seventy-five thousand dollars for taxpayers whose filing
452 status is single, head of household or qualifying widow or widower or
453 not more than one hundred fifty thousand dollars for taxpayers whose
454 filing status is married filing jointly, (3) no other person is claiming an
455 exemption for the taxpayer on such other person's return, (4) the
456 taxpayer is legally obligated to pay interest on a qualified student loan,
457 and (5) the taxpayer paid interest on a qualified student loan.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2023	10a-174
Sec. 2	July 1, 2023	New section
Sec. 3	July 1, 2023	New section
Sec. 4	July 1, 2023	New section
Sec. 5	July 1, 2023	New section
Sec. 6	January 1, 2024	12-701(a)(20)(B)

Sec. 7	<i>January 1, 2024, and applicable to taxable years commencing on or after January 1, 2024</i>	New section
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HED *Joint Favorable Subst. -LCO*

APP *Joint Favorable*