

**SENATE . . . . . No. 1810**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Ryan C. Fattman*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act promoting student loan repayment.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Ryan C. Fattman</i>	<i>Worcester and Hampden</i>	
<i>Adam Gomez</i>	<i>Hampden</i>	<i>2/22/2023</i>

**SENATE . . . . . No. 1810**

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By Mr. Fattman, a petition (accompanied by bill, Senate, No. 1810) of Ryan C. Fattman and Adam Gomez for legislation to promote student loan repayment. Revenue.

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[SIMILAR MATTER FILED IN PREVIOUS SESSION  
SEE SENATE, NO. 1858 OF 2021-2022.]

**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninety-Third General Court  
(2023-2024)**  
\_\_\_\_\_

An Act promoting student loan repayment.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Paragraph (a) of part B of section 3 of chapter 62 of the General Laws, as  
2 appearing in the 2020 Official Edition, is hereby amended by adding the following  
3 subparagraph:-

4           (20) An amount equal to the amount of student loan payment assistance received by an  
5 individual from their employer during the taxable year. For the purposes of this paragraph,  
6 “student loan payment assistance” shall mean the payment of principal or interest on a qualified  
7 education loan, as defined in section 221 of the Code.

8           SECTION 2. Section 6 of said chapter 62, as so appearing, is hereby amended by adding  
9 the following subsection:-

10 (w)(1) As used in this subsection, the following words shall, unless the context clearly  
11 requires otherwise, have the following meanings:-

12 “Qualified education loan”, as defined in section 221 of the Code.

13 “Qualified employee”, with respect to a particular taxpayer, any individual who, under  
14 the usual common-law rules applicable in determining the employer-employee relationship, has  
15 the status of an employee of that taxpayer and who is domiciled in the commonwealth.

16 “Student loan payment assistance”, the payment of principal or interest on a qualified  
17 education loan.

18 (2) Any business that provides student loan payment assistance to a qualified employee  
19 or directly to the holder of the employee’s qualified education loan shall be allowed a credit  
20 against the tax liability imposed by this chapter in an amount equal to 100 per cent of the student  
21 loan assistance paid; provided, however, that a credit under this section shall not exceed \$4,500  
22 per qualified employee in any tax year.

23 (3) Credits under this subsection shall be allowed for the taxable year in which the  
24 student loan payment assistance is provided; provided, however, that in no taxable year may the  
25 amount of the credit allowed exceed the total tax due of the taxpayer for the relevant taxable  
26 year. A taxpayer allowed a credit pursuant to this subsection for a taxable year may carry over  
27 and apply against such taxpayer’s tax liability in any of the succeeding 5 taxable years, the  
28 portion, as reduced from year to year, of those credits which exceed the tax for the taxable year.

29 SECTION 3. Chapter 63 of the General Laws, as so appearing, is hereby amended by  
30 inserting after section 38HH the following section:-

31 Section 38II. (a) As used in this section, the following words shall, unless the context  
32 clearly requires otherwise, have the following meanings:-

33 “Qualified education loan”, as defined in section 221 of the Code.

34 “Qualified employee”, with respect to a particular taxpayer, any individual who, under  
35 the usual common-law rules applicable in determining the employer-employee relationship, has  
36 the status of an employee of that taxpayer and who is domiciled in the commonwealth.

37 “Student loan payment assistance”, the payment of principal or interest on a qualified  
38 education loan.

39 (b) A business corporation who provides student loan payment assistance to a qualified  
40 employee or directly to the holder of the employee’s qualified education loan shall be allowed a  
41 credit against the tax liability imposed by this chapter in an amount equal to 100 per cent of the  
42 student loan assistance paid; provided, however, that a credit under this section shall not exceed  
43 \$4,500 per qualified employee in any tax year.

44 (c) The credit allowed in this section for any taxable year shall not reduce the excise to  
45 less than the amount due under subsection (b) of section 39, section 67, or any other applicable  
46 section.

47 (d) Credits under this subsection shall be allowed for the taxable year in which the  
48 student loan payment assistance is provided. A taxpayer allowed a credit under this subsection  
49 for a taxable year may carry over an apply against such taxpayer’s liability in any of the  
50 succeeding 5 taxable years, the portion, as reduced from year to year, of those credits which  
51 exceed the tax for the taxable year.