

COMMITTEE ON REVENUE ~ HOUSE BILL SUMMARY

Bill Number: H.3226 (similar to S.1962)

Name: AN ACT EXCLUDING STUDENT LOAN FORGIVENESS FROM TAXABLE INCOME FOR PERMANENTLY AND TOTALLY DISABLED VETERANS

Sponsor(s): Rep. David M. Rogers (Cambridge)

Hearing Date: June 24, 2025

Reporting Date: August 23, 2025

Prior History: 2023-24 (H.2778): Accompanied S.1776; Reported favorably; Referred to House Ways and Means
2021-22 (S.1827): Ordered to a House Study
2019-20 (S.1626): Ordered to a House Study

CURRENT LAW:

M.G.L. c. 62 § 2 – Gross income, adjusted gross income and taxable income defined; classes:

Massachusetts gross income is federal gross income:

- plus certain items excluded from federal gross income but included in Massachusetts gross income under § 2(a)(1); and
- minus certain items included in federal gross income but excluded from Massachusetts gross income under § 2(a)(2).

Adjusted gross income is gross income divided under § 2(b) into Part A, Part B, and Part C income, minus deductions listed under § 2(c) for Part A and minus deductions listed under §2(d) for Part B.

I.R.C. § 108(f)(5)(A) – Student Loans; Discharges on account of death or disability: Student loans after December 31, 2017 and before January 1, 2026 that are discharged on account of the death or total permanent disability of the student, remain includable gross income for tax purposes of such taxable year.

PROPOSED CHANGE(S):

This bill would amend section 2 of chapter 62 of the General Laws to exclude discharged educational loan debt received by a veteran who is permanently and totally disabled from being counted towards gross income for such taxable year.