

5710

2011-2012 Regular Sessions

I N   S E N A T E

June 13, 2011

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Introduced by Sen. GALLIVAN -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the tax law, in relation to a credit for employment of persons on probation or parole

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The tax law is amended by adding a new section 187-s to  
2     read as follows:  
3     S 187-S. CREDIT FOR EMPLOYMENT OF PERSONS ON PROBATION OR PAROLE. 1.  
4     ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE  
5     COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAXES IMPOSED BY THIS  
6     ARTICLE, OTHER THAN THE TAXES IMPOSED BY SECTIONS ONE HUNDRED EIGHTY,  
7     ONE HUNDRED EIGHTY-ONE, ONE HUNDRED EIGHTY-SIX-A AND ONE HUNDRED EIGHT-  
8     Y-SIX-E OF THIS ARTICLE, FOR EMPLOYING WITHIN THE STATE A QUALIFIED  
9     EMPLOYEE. PROVIDED, HOWEVER, THE AMOUNT OF CREDIT ALLOWED BY THIS  
10    SECTION AGAINST THE TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-FOUR OF  
11    THIS ARTICLE SHALL BE THE EXCESS OF THE CREDIT COMPUTED UNDER THIS  
12    SECTION OVER THE AMOUNT OF CREDIT ALLOWED BY THIS SECTION AGAINST THE  
13    TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-THREE OF THIS ARTICLE.  
14    2. QUALIFIED EMPLOYEE. A QUALIFIED EMPLOYEE IS AN INDIVIDUAL WHO:  
15    (A) HAS BEEN CONVICTED OF A FELONY UNDER ANY STATUTE OF THE UNITED  
16    STATES OR ANY STATE;  
17    (B) IS ON PROBATION OR PAROLE; AND  
18    (C) HAS WORKED ON A FULL-TIME BASIS FOR THE EMPLOYER WHO IS CLAIMING  
19    THE CREDIT FOR AT LEAST ONE HUNDRED EIGHTY DAYS OR FOUR HUNDRED HOURS.  
20    3. AMOUNT OF CREDIT. EXCEPT AS PROVIDED IN SUBDIVISION FOUR OF THIS  
21    SECTION, THE AMOUNT OF CREDIT UNDER THIS SECTION SHALL BE THIRTY-FIVE  
22    PERCENT OF THE FIRST SIX THOUSAND DOLLARS IN QUALIFIED FIRST-YEAR WAGES  
23    EARNED BY EACH QUALIFIED EMPLOYEE. "QUALIFIED FIRST-YEAR WAGES" MEANS  
24    WAGES PAID OR INCURRED BY THE TAXPAYER DURING THE TAXABLE YEAR TO QUALI-  
25    FIED EMPLOYEES WHICH ARE ATTRIBUTABLE, WITH RESPECT TO ANY SUCH EMPLOY-

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

LBD13016-01-1

1 EE, TO SERVICES RENDERED DURING THE ONE-YEAR PERIOD BEGINNING WITH THE  
2 DAY THE EMPLOYEE BEGINS WORK FOR THE TAXPAYER.

3 4. CREDIT WHERE FEDERAL WORK OPPORTUNITY TAX CREDIT APPLIES. WITH  
4 RESPECT TO ANY QUALIFIED EMPLOYEE WHOSE QUALIFIED FIRST-YEAR WAGES UNDER  
5 SUBDIVISION THREE OF THIS SECTION ALSO CONSTITUTE QUALIFIED FIRST-YEAR  
6 WAGES FOR PURPOSES OF THE WORK OPPORTUNITY TAX CREDIT FOR VOCATIONAL  
7 REHABILITATION REFERRALS UNDER SECTION FIFTY-ONE OF THE INTERNAL REVENUE  
8 CODE, THE AMOUNT OF CREDIT UNDER THIS SECTION SHALL BE THIRTY-FIVE  
9 PERCENT OF THE FIRST SIX THOUSAND DOLLARS IN QUALIFIED SECOND-YEAR WAGES  
10 EARNED BY EACH SUCH EMPLOYEE. "QUALIFIED SECOND-YEAR WAGES" MEANS WAGES  
11 PAID OR INCURRED BY THE TAXPAYER DURING THE TAXABLE YEAR TO QUALIFIED  
12 EMPLOYEES WHICH ARE ATTRIBUTABLE, WITH RESPECT TO ANY SUCH EMPLOYEE, TO  
13 SERVICES RENDERED DURING THE ONE-YEAR PERIOD BEGINNING ONE YEAR AFTER  
14 THE EMPLOYEE BEGINS WORK FOR THE TAXPAYER.

15 5. CARRYOVER. IN NO EVENT SHALL THE CREDIT UNDER THIS SECTION BE  
16 ALLOWED IN AN AMOUNT WHICH WILL REDUCE THE TAX PAYABLE TO LESS THAN THE  
17 APPLICABLE MINIMUM TAX FIXED BY SECTION ONE HUNDRED EIGHTY-THREE OR ONE  
18 HUNDRED EIGHTY-FIVE OF THIS ARTICLE. IF, HOWEVER, THE AMOUNT OF CREDIT  
19 ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO  
20 SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR  
21 MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED  
22 FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

23 6. COORDINATION WITH FEDERAL WORK OPPORTUNITY TAX CREDIT. THE  
24 PROVISIONS OF SECTIONS FIFTY-ONE AND FIFTY-TWO OF THE INTERNAL REVENUE  
25 CODE, AS SUCH SECTIONS APPLIED ON OCTOBER FIRST, NINETEEN HUNDRED NINE-  
26 TY-SIX, THAT APPLY TO THE WORK OPPORTUNITY TAX CREDIT FOR VOCATIONAL  
27 REHABILITATION REFERRALS SHALL APPLY TO THE CREDIT UNDER THIS SECTION TO  
28 THE EXTENT THAT SUCH SECTIONS ARE CONSISTENT WITH THE SPECIFIC  
29 PROVISIONS OF THIS SECTION, PROVIDED THAT IN THE EVENT OF A CONFLICT THE  
30 PROVISIONS OF THIS SECTION SHALL CONTROL.

31 S 2. This act shall take effect immediately.