

STATE OF NEW YORK

5180

2021-2022 Regular Sessions

IN SENATE

February 26, 2021

Introduced by Sen. BENJAMIN -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to a tax credit for employment of an individual who has successfully completed a judicial diversion program or graduated from a drug court

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 210-B of the tax law is amended by adding a new
2 subdivision 55 to read as follows:

3 55. Credit for employment of individuals who have graduated from drug
4 court or have successfully completed a judicial diversion program. (a)
5 Allowance of credit. A taxpayer shall be allowed a credit, to be
6 computed as provided in this subdivision, against the tax imposed by
7 this article, if it employs an individual who has graduated from drug
8 court or has successfully completed a judicial diversion program pursu-
9 ant to article two hundred sixteen of the criminal procedure law,
10 provided that such individual is employed for thirty-five hours or more
11 per week and remains in the employ of such taxpayer for a minimum of
12 twelve months.

13 (b) Amount of credit. A credit authorized by this section shall equal
14 three thousand dollars per hired individual for the first year of
15 employment and an additional one thousand dollars if the individual
16 remains in employ for an additional twelve months.

17 (c) Application of credit. The credit allowed under this subdivision
18 for any taxable year shall not reduce the tax due for such year to less
19 than the amount prescribed in paragraph (d) of subdivision one of this
20 section. If, however, the amount of credits allowed under this subdivi-
21 sion for any taxable year reduces the tax to such amount, any amount of
22 credit thus not deductible in such taxable year shall be treated as an
23 overpayment of tax to be credited or refunded in accordance with the
24 provisions of section one thousand eighty-six of this chapter. Provided,

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

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1 however, the provisions of subsection (c) of section one thousand eight-
2 y-eight of this chapter notwithstanding, no interest shall be paid ther-
3 eon.

4 (d) Credit recapture. For provisions requiring recapture of credit,
5 see section forty-four of this chapter.

6 § 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
7 of the tax law is amended by adding a new clause (xlvi) to read as
8 follows:

9 <u>(xlvi) Employment of individuals</u>	<u>Amount of credit</u>
10 <u>who have graduated from</u>	<u>under subdivision</u>
11 <u>drug court or have</u>	<u>fifty-five of section</u>
12 <u>successfully completed</u>	<u>two hundred ten-B</u>
13 <u>a judicial diversion program</u>	
14 <u>tax credit under</u>	
15 <u>subsection (kkk)</u>	

16 § 3. Section 606 of the tax law is amended by adding a new subsection
17 (kkk) to read as follows:

18 (kkk) Tax credit for employment of individuals who have graduated from
19 drug court or have successfully completed a judicial diversion program.

20 (1) Allowance of credit. A taxpayer shall be allowed a credit, to be
21 computed as provided in this subsection, against the tax imposed by this
22 article, if it employs an individual who has graduated from drug court
23 or who has successfully completed a judicial diversion program pursuant
24 to article two hundred sixteen of the criminal procedure law, provided
25 that such individual is employed for thirty-five hours or more per week
26 and remains in the employ of such taxpayer for twelve months.

27 (2) Amount of credit. A credit authorized by this section shall equal
28 three thousand dollars per hired individual for the first year of
29 employment and an additional one thousand dollars if the individual
30 remains in employ for an additional twelve months.

31 (3) Application of credit. The credit allowed under this subsection
32 for any taxable year shall not reduce the tax due for such year to less
33 than the higher of the amount prescribed in paragraphs (c) and (d) of
34 subdivision one of section two hundred ten-B of this chapter. If,
35 however, the amount of credits allowed under this subsection for any
36 taxable year reduces the tax to such amount, any amount of credit thus
37 not deductible in such taxable year shall be treated as an overpayment
38 of tax to be credited or refunded in accordance with the provisions of
39 section one thousand eighty-six of this chapter. Provided, however, the
40 provisions of subsection (c) of section one thousand eighty-eight of
41 this chapter notwithstanding, no interest shall be paid thereon.

42 (4) Credit recapture. For provisions requiring recapture of credit,
43 see section forty-four of this chapter.

44 § 4. Section 1511 of the tax law is amended by adding a new subsection
45 (ee) to read as follows:

46 (ee) Credit for employment of individuals who have graduated from drug
47 court or have successfully completed a judicial diversion program. (1)

48 Allowance of credit. A taxpayer shall be allowed a credit, to be
49 computed as provided in this subsection, against the tax imposed by this
50 article, if it employs an individual who has graduated from drug court
51 or has successfully completed a judicial diversion program pursuant to
52 article two hundred sixteen of the criminal procedure law, provided that
53 such individual is employed for thirty-five hours or more per week and
54 remains in the employ of such taxpayer for a minimum of twelve months.

55 (2) Amount of credit. A credit authorized by this section shall equal
56 three thousand dollars per hired individual for the first year of

1 employment and an additional one thousand dollars if the individual
2 remains in employ for an additional twelve months.

3 (3) Application of credit. The credit allowed under this subsection
4 shall not reduce the tax due for such year to be less than the minimum
5 fixed by paragraph four of subdivision (a) of section fifteen hundred
6 two or section fifteen hundred two-a of this article, whichever is
7 applicable. However, if the amount of the credit allowed under this
8 subsection for any taxable year reduces the taxpayer's tax of such
9 amount, any amount of credit thus not deductible will be treated as an
10 overpayment of tax to be credited or refunded in accordance with the
11 provisions of section one thousand eighty-six of this chapter. Provided,
12 however, the provisions of subsection (c) of one thousand eighty-eight
13 of this chapter notwithstanding, no interest shall be paid thereon.

14 (4) Credit recapture. For provisions requiring recapture of credit,
15 see section forty-four of this chapter.

16 § 5. This act shall take effect on the first of January next succeed-
17 ing the date on which it shall have become a law, and shall apply to
18 taxable years beginning on or after such date and to employees hired on
19 or after such date.