

# STATE OF NEW YORK

604

2021-2022 Regular Sessions

## IN SENATE

(Prefiled)

January 6, 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 establishing business franchise and personal income tax credits for certain businesses which contract with the state or political subdivisions thereof and in unrelated contracts, also with minority and women-owned business enterprises

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 28 to read as follows:

3 28. Minority and women-owned business employment incentive credit. (a)  
4 General. A taxpayer shall be allowed a credit, to be computed as  
5 provided in this subdivision, against the tax imposed by this article  
6 for a certain portion of the consideration paid to a minority or women-  
7 owned business enterprise pursuant to a contract for the provision of  
8 goods or services. The credit provided for in this subdivision shall be  
9 allowed with respect to the tax year in which the consideration is paid  
10 to the minority or women-owned business enterprise.

11 (b) Definitions. For the purposes of this subdivision, the following  
12 terms shall mean:

13 (i) "Government agency" means a state agency or a state authority as  
14 defined in subdivision eleven of section three hundred ten of the execu-  
15 tive law, or a political subdivision as defined in subdivision one of  
16 section one hundred of the general municipal law.

17 (ii) "Minority or women-owned business enterprise" means a minority-  
18 owned business enterprise as defined in subdivision seven of section  
19 three hundred ten of the executive law or a women-owned business enter-  
20 prise as defined in subdivision fifteen of section three hundred ten of  
21 the executive law.

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

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1 (c) Computation. The credit authorized by this subdivision shall be  
 2 equal to one-third of all expenditures paid by the taxpayer to a minori-  
 3 ty or women-owned business enterprise pursuant to a contract for the  
 4 provision of goods and services during the tax year, provided that such  
 5 contract was not subject to the provisions of article fifteen-A of the  
 6 executive law or any other provision of law relating to the affirmative  
 7 action, and the taxpayer is not a minority or women-owned business  
 8 enterprise. Furthermore, the amount of such credit shall not exceed  
 9 five percent of all consideration paid to the taxpayer during the tax  
 10 year pursuant to contracts with government agencies for the provision of  
 11 goods or services.

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

15 <u>(xlvi) Minority and</u>	<u>Amount of credit</u>
16 <u>women-owned business</u>	<u>under subdivision</u>
17 <u>employment incentive</u>	<u>twenty-eight of</u>
18 <u>credit under</u>	<u>section two</u>
19 <u>subsection (kkk)</u>	<u>hundred ten-B</u>

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

22 (kkk) Minority and women-owned business employment incentive credit.  
 23 (1) General. A taxpayer shall be allowed a credit to be computed as  
 24 provided in this subsection, against the tax imposed by this article for  
 25 a certain portion of the consideration paid to a minority or women-owned  
 26 business enterprise pursuant to a contract for the provision of goods or  
 27 services. The credit provided for in this subsection shall be allowed  
 28 with respect to the tax year in which the consideration is paid to the  
 29 minority or women-owned business enterprise.

30 (2) Definitions. For the purposes of this subsection, the following  
 31 terms shall mean:

32 (i) "Government agency" means a state agency or a state authority as  
 33 defined in subdivision eleven of section three hundred ten of the execu-  
 34 tive law, or a political subdivision as defined in subdivision one of  
 35 section one hundred of the general municipal law.

36 (ii) "Minority or women-owned business enterprise" means a minority-  
 37 owned business enterprise as defined in subdivision seven of section  
 38 three hundred ten of the executive law or a women-owned business enter-  
 39 prise as defined in subdivision fifteen of section three hundred ten of  
 40 the executive law.

41 (3) Computation. The credit authorized by this subsection shall be  
 42 equal to one-third of all expenditures paid by the taxpayer to a minori-  
 43 ty or women-owned business enterprise pursuant to a contract for the  
 44 provision of goods and services during the tax year, provided that such  
 45 contract was not subject to the provisions of article fifteen-A of the  
 46 executive law or any other provision of law relating to affirmative  
 47 action, and the taxpayer is not a minority or women-owned business  
 48 enterprise. Furthermore, the amount of such credit shall not exceed  
 49 five percent of all consideration paid to the taxpayer during the tax  
 50 year pursuant to contracts with government agencies for the provision of  
 51 goods or services.

52 § 4. This act shall take effect on the first of January next succeed-  
 53 ing the date on which it shall have become a law and shall apply to tax  
 54 years commencing on or after such date.