

STATE OF NEW YORK

8463--A

IN SENATE

March 3, 2022

Introduced by Sen. KAPLAN -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to creating a work opportunity tax credit

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 47 to read
2 as follows:

3 § 47. Work opportunity tax credit. (a) General. A taxpayer subject to
4 tax under article nine-A, twenty-two, or thirty-three of this chapter
5 shall be allowed a credit against such tax in an amount equal to one
6 hundred percent of the credit that is allowed to the taxpayer under
7 section 51 of the internal revenue code that is attributable to quali-
8 fied wages paid to a New York resident who is a member of a targeted
9 group and for whom a certificate to that effect has been issued by the
10 department of labor.

11 (b) Definitions. The terms "qualified wages" and "targeted group"
12 shall have the same meanings as in section 51 of the internal revenue
13 code.

14 (c) Wages which are the basis of the credit under this section may not
15 be used as the basis for any other credit allowed under this chapter.

16 (d) Cross-references. For application of the credit provided for in
17 this section, see the following provisions of this chapter:

18 (1) article 9-A: section 210-B, subdivision 58;

19 (2) article 22: section 606, subsection (bbb);

20 (3) article 33: section 1511, subdivision (ee).

21 § 2. Section 210-B of the tax law is amended by adding a new subdivi-
22 sion 58 to read as follows:

23 58. Work opportunity tax credit. (a) Allowance of credit. A taxpayer
24 shall be allowed a credit, to be computed as provided in section forty-
25 seven of this chapter, against the tax imposed by this article.

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

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(b) Application of credit. The credit allowed under this subdivision for any taxable year may not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

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

(bbb) Work opportunity tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-seven of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

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

(ee) Work opportunity tax credit. (1) A taxpayer shall be allowed a credit, to be computed as provided in section forty-seven of this chapter, against the tax imposed by this article.

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

§ 5. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2022 and shall apply to wages paid to individuals hired on and after such effective date.