

STATE OF NEW YORK

5661

2025-2026 Regular Sessions

IN ASSEMBLY

February 19, 2025

Introduced by M. of A. BARCLAY, HAWLEY, PALMESANO, RA, BLANKENBUSH, SMITH, WALSH, MILLER, MANKTELOW, JENSEN, GALLAHAN, DeSTEFANO, SIMPSON, BRABENEC, ANGELINO -- Multi-Sponsored by -- M. of A. K. BROWN -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to calculation of the earned income credit

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

1 Section 1. Paragraph 1 of subsection (d) of section 606 of the tax
2 law, as amended by section 1 of part Q of chapter 63 of the laws of
3 2000, is amended to read as follows:

4 (1) General. A taxpayer shall be allowed a credit as provided herein
5 equal to (i) the applicable percentage of the earned income credit
6 allowed under section thirty-two of the internal revenue code for the
7 same taxable year, (ii) reduced by the credit permitted under subsection
8 (b) of this section.

9 The applicable percentage shall be (i) seven and one-half percent for
10 taxable years beginning in nineteen hundred ninety-four, (ii) ten
11 percent for taxable years beginning in nineteen hundred ninety-five,
12 (iii) twenty percent for taxable years beginning after nineteen hundred
13 ninety-five and before two thousand, (iv) twenty-two and one-half
14 percent for taxable years beginning in two thousand, (v) twenty-five
15 percent for taxable years beginning in two thousand one, (vi) twenty-
16 seven and one-half percent for taxable years beginning in two thousand
17 two, ~~and~~ (vii) thirty percent for taxable years beginning in two thou-
18 sand three, and (viii) forty-five percent for taxable years beginning in
19 two thousand twenty-six and thereafter. Provided, however, that if the
20 reversion event, as defined in this paragraph, occurs, the applicable
21 percentage shall be twenty percent for taxable years ending on or after
22 the date on which the reversion event occurred. The reversion event
23 shall be deemed to have occurred on the date on which federal action,

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

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1 including but not limited to, administrative, statutory or regulatory
2 changes, materially reduces or eliminates New York state's allocation of
3 the federal temporary assistance for needy families block grant, or
4 materially reduces the ability of the state to spend federal temporary
5 assistance for needy families block grant funds for the earned income
6 credit or to apply state general fund spending on the earned income
7 credit toward the temporary assistance for needy families block grant
8 maintenance of effort requirement, and the commissioner of the office of
9 temporary and disability assistance shall certify the date of such event
10 to the commissioner of taxation and finance, the director of the divi-
11 sion of the budget, the speaker of the assembly and the temporary presi-
12 dent of the senate.

13 § 2. This act shall take effect immediately and shall apply to taxable
14 years beginning on and after January 1, 2026.