S T A T E O F N E W Y O R K

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2009-2010 Regular Sessions

I N A S S E M B L Y

January 21, 2009

Introduced by M. of A. MARKEY -- Multi-Sponsored by -- M. of A. CHRISTENSEN, KOON, LATIMER, V. LOPEZ, PHEFFER, WEISENBERG -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a tax credit for each qualifying child of an at-home parent

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (u) to read as follows:

(U) AT-HOME PARENT CREDIT. (1) FOR TAXABLE YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND TEN, A TAXPAYER MAY CLAIM ON THE TAXPAYER'S INDIVIDUAL INCOME TAX RETURN A NONREFUNDABLE CREDIT OF ONE THOUSAND DOLLARS FOR EACH QUALIFYING CHILD UNTIL SAID CHILD REACHES THE AGE OF FIVE YEARS IF:

(A) THE TAXPAYER OR ANOTHER TAXPAYER FILING A JOINT INDIVIDUAL INCOME TAX RETURN WITH THE TAXPAYER IS AN AT-HOME PARENT; AND

(B) THE FEDERAL ADJUSTED GROSS INCOME OF ALL OF THE TAXPAYERS FILING THE INDIVIDUAL INCOME TAX RETURN IS LESS THAN OR EQUAL TO FIFTY THOUSAND DOLLARS.

(2) FOR THE PURPOSES OF THIS SUBSECTION, "AT-HOME PARENT" MEANS A PARENT WHO PROVIDES FULL-TIME CARE AT THE PARENT'S RESIDENCE FOR ONE OR MORE OF THE PARENT'S OWN QUALIFYING CHILDREN AND WHO CLAIMS THE QUALIFYING CHILD AS A DEPENDENT ON THE PARENT'S INDIVIDUAL INCOME TAX RETURN FOR THE TAXABLE YEAR FOR WHICH THE PARENT CLAIMS THE CREDIT AND IF THE SUM OF THE FOLLOWING AMOUNTS ARE THREE THOUSAND DOLLARS OR LESS FOR THE TAXABLE YEAR FOR WHICH THE PARENT CLAIMS THE CREDIT:

(A) THE TOTAL WAGES, TIPS, AND OTHER COMPENSATION LISTED ON ALL OF THE PARENT'S FEDERAL FORMS W-2; AND

(B) THE GROSS INCOME LISTED ON THE PARENT'S FEDERAL FORM 1040 SCHEDULE C, PROFIT OR LOSS FROM BUSINESS.

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

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(3) FOR THE PURPOSES OF THIS SUBSECTION, "PARENT" MEANS AN INDIVIDUAL WHO:
(A) IS THE BIOLOGICAL MOTHER OR FATHER OF A QUALIFYING CHILD; OR
(B) IS THE STEPFATHER OR STEPMOTHER OF A QUALIFYING CHILD; OR
(C) LEGALLY ADOPTS A QUALIFYING CHILD; OR HAS A QUALIFYING CHILD PLACED IN THE INDIVIDUAL'S HOME:
(I) BY A CHILD PLACING AGENCY
(II) FOR THE PURPOSE OF LEGALLY ADOPTING THE CHILD; OR
(D) IS A FOSTER PARENT OF A QUALIFYING CHILD; OR
(E) IS A LEGAL GUARDIAN OF A QUALIFYING CHILD.
(4) FOR THE PURPOSES OF THIS SUBSECTION, "QUALIFYING CHILD" MEANS A CHILD WHO IS NO MORE THAN FIVE YEARS OF AGE ON THE LAST DAY OF THE TAXABLE YEAR FOR WHICH THE CREDIT IS CLAIMED.
(5) A TAXPAYER MAY NOT CARRY FORWARD OR CARRY BACK THE CREDIT SET FORTH IN THIS SUBSECTION.
(6) AN APPROPRIATION SHALL BE MADE FROM THE GENERAL FUND SUFFICIENT TO REPLACE EDUCATION REVENUES EXPENDED IN PROVIDING FOR THE CREDIT IN THIS SUBSECTION.
S 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2010.