

2009-2010 Regular Sessions

I N S E N A T E

(PREFILED)

January 7, 2009

Introduced by Sen. SAMPSON -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to the establishment of a tax credit for the adoption of a child

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

1 Section 1. Section 606 of the tax law is amended by adding a new  
2 subsection (t-2) to read as follows:  
3 (T-2) ADOPTION CREDIT. (1) GENERAL. A RESIDENT TAXPAYER SHALL BE  
4 ALLOWED THE OPTION OF CLAIMING A CREDIT, TO BE COMPUTED AS PROVIDED IN  
5 PARAGRAPH THREE OF THIS SUBSECTION, AGAINST THE TAX IMPOSED BY THIS  
6 ARTICLE FOR ALLOWABLE ADOPTION EXPENSES FOR EACH CHILD ADOPTED.  
7 (2) ALLOWABLE AND QUALIFIED ADOPTION EXPENSES. FOR THE PURPOSES OF  
8 THIS CREDIT, (A) THE TERM "ALLOWABLE ADOPTION EXPENSES" SHALL MEAN THE  
9 AMOUNT OF QUALIFIED NONRECURRING ADOPTION EXPENSES PAID BY THE TAXPAYER  
10 DURING THE TAXABLE YEAR FOR EACH CHILD ADOPTED, LIMITED TO TEN THOUSAND  
11 DOLLARS, AND (B) THE TERM "QUALIFIED ADOPTION EXPENSES" SHALL MEAN THE  
12 EXPENSES REQUIRED FOR THE LEGAL ADOPTION OF A CHILD BY THE TAXPAYER OR  
13 THE TAXPAYER'S SPOUSE.  
14 (3) AMOUNT OF CREDIT. IF ALLOWABLE ADOPTION EXPENSES ARE LESS THAN  
15 FIVE THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT PROVIDED UNDER THIS  
16 SUBSECTION SHALL BE EQUAL TO THE APPLICABLE PERCENTAGE OF THE LESSER OF  
17 ALLOWABLE ADOPTION EXPENSES OR TWO HUNDRED DOLLARS. IF ALLOWABLE  
18 ADOPTION EXPENSES ARE FIVE THOUSAND DOLLARS OR MORE, THE AMOUNT OF THE  
19 CREDIT PROVIDED UNDER THIS SUBSECTION SHALL BE EQUAL TO THE APPLICABLE  
20 PERCENTAGE OF THE ALLOWABLE ADOPTION EXPENSES MULTIPLIED BY FOUR  
21 PERCENT. SUCH APPLICABLE PERCENTAGE SHALL BE TWENTY-FIVE PERCENT FOR  
22 TAXABLE YEARS BEGINNING IN TWO THOUSAND TEN, FIFTY PERCENT FOR TAXABLE  
23 YEARS BEGINNING IN TWO THOUSAND ELEVEN, SEVENTY-FIVE PERCENT FOR TAXABLE

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

1 YEARS BEGINNING IN TWO THOUSAND TWELVE AND ONE HUNDRED PERCENT FOR TAXA-  
2 BLE YEARS BEGINNING AFTER TWO THOUSAND THIRTEEN.

3 (4) REFUNDABILITY. THE CREDIT UNDER THIS SUBSECTION SHALL BE ALLOWED  
4 AGAINST THE TAXES IMPOSED BY THIS ARTICLE FOR THE TAXABLE YEAR REDUCED  
5 BY THE CREDITS PERMITTED BY THIS ARTICLE. IF THE CREDIT EXCEEDS THE TAX  
6 AS SO REDUCED, THE TAXPAYER MAY RECEIVE, AND THE COMPTROLLER, SUBJECT TO  
7 A CERTIFICATE OF THE COMMISSIONER, SHALL PAY AS AN OVERPAYMENT, WITHOUT  
8 INTEREST, THE AMOUNT OF SUCH EXCESS.

9 S 2. This act shall take effect immediately and shall apply to taxable  
10 years beginning on or after January 1, 2010.