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

4108--A

2011-2012 Regular Sessions

I N S E N A T E

March 17, 2011

Introduced by Sens. ADDABBO, ESPAILLAT, MONTGOMERY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- recommitted to the Committee on Investigations and Government Operations in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to establishing a small business tax credit for the employment of persons fifty-five years of age or older

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

Section 1. Section 210 of the tax law is amended by adding a new subdivision 45 to read as follows:

45. SMALL BUSINESS TAX CREDIT; PERSONS AGE FIFTY-FIVE OR OLDER. (A) GENERAL. A TAXPAYER WHO HAS ONE HUNDRED EMPLOYEES OR LESS, SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBDIVISION, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR EACH PERSON AGE FIFTY-FIVE OR OLDER HIRED DURING A TAXABLE YEAR, PROVIDED THAT SUCH PERSON AGE FIFTY-FIVE OR OLDER IS EMPLOYED FOR THIRTY-FIVE HOURS OR MORE PER WEEK AND REMAINS IN THE EMPLOY OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE.

(B) AMOUNT OF CREDIT. A CREDIT AUTHORIZED BY THIS SECTION SHALL EQUAL FIVE THOUSAND DOLLARS PER HIRED PERSON AGE FIFTY-FIVE OR OLDER BUT SHALL NOT EXCEED TWENTY-FIVE THOUSAND DOLLARS.

(C) CARRYOVERS. THE CREDIT ALLOWED UNDER THIS SUBDIVISION MAY BE CLAIMED AND IF NOT FULLY USED IN THE INITIAL YEAR FOR WHICH THE CREDIT IS CLAIMED MAY BE CARRIED OVER, IN ORDER, TO EACH OF THE FIVE SUCCEEDING TAXABLE YEARS. THE CREDIT AUTHORIZED BY THIS SUBDIVISION MAY NOT BE USED TO REDUCE THE TAX LIABILITY OF THE CREDIT CLAIMANT BELOW ZERO.

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

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

LBD10084-03-2

(XXXIV) SMALL BUSINESS TAX CREDIT; PERSONS FIFTY-FIVE YEARS OF AGE OR OLDER SUBSECTION (UU) COSTS UNDER SUBDIVISION FORTY-FIVE OF SECTION TWO HUNDRED TEN

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

(UU) SMALL BUSINESS TAX CREDIT; PERSONS AGE FIFTY-FIVE OR OLDER. (A) GENERAL. A TAXPAYER WHO HAS ONE HUNDRED EMPLOYEES OR LESS, SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBSECTION, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR EACH PERSON AGE FIFTY-FIVE OR OLDER HIRED DURING A TAXABLE YEAR, PROVIDED THAT SUCH PERSON AGE FIFTY-FIVE OR OLDER IS EMPLOYED FOR THIRTY-FIVE HOURS OR MORE PER WEEK AND REMAINS IN THE EMPLOY OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE.

(B) AMOUNT OF CREDIT. A CREDIT AUTHORIZED BY THIS SECTION SHALL EQUAL FIVE THOUSAND DOLLARS PER HIRED PERSON AGE FIFTY-FIVE OR OLDER BUT SHALL NOT EXCEED TWENTY-FIVE THOUSAND DOLLARS.

(C) CARRYOVERS. THE CREDIT ALLOWED IN THIS SUBSECTION MAY BE CLAIMED AND IF NOT FULLY USED IN THE INITIAL YEAR FOR WHICH THE CREDIT IS CLAIMED MAY BE CARRIED OVER, IN ORDER, TO EACH OF THE FIVE SUCCEEDING TAXABLE YEARS. THE CREDIT AUTHORIZED BY THIS SUBSECTION MAY NOT BE USED TO REDUCE THE TAX LIABILITY OF THE CREDIT CLAIMANT BELOW ZERO.

S 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2013.