

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

4335--A

2011-2012 Regular Sessions

I N S E N A T E

March 29, 2011

Introduced by Sen. ADDABBO -- 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 unemployed college graduates

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

1 Section 1. Section 210 of the tax law is amended by adding a new
2 subdivision 45 to read as follows:
3 45. SMALL BUSINESS TAX CREDIT; UNEMPLOYED COLLEGE GRADUATES. (A)
4 GENERAL. A TAXPAYER WHO HAS ONE HUNDRED EMPLOYEES OR LESS, SHALL BE
5 ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBDIVISION,
6 AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR EACH UNEMPLOYED COLLEGE
7 GRADUATE HIRED DURING A TAXABLE YEAR, PROVIDED THAT SUCH UNEMPLOYED
8 COLLEGE GRADUATE IS EMPLOYED FOR THIRTY-FIVE HOURS OR MORE PER WEEK AND
9 REMAINS IN THE EMPLOY OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE.
10 (B) AMOUNT OF CREDIT. A CREDIT AUTHORIZED BY THIS SECTION SHALL EQUAL
11 FIVE THOUSAND DOLLARS PER HIRED UNEMPLOYED COLLEGE GRADUATE BUT SHALL
12 NOT EXCEED TWENTY-FIVE THOUSAND DOLLARS.
13 (C) CARRYOVERS. THE CREDIT ALLOWED UNDER THIS SUBDIVISION MAY BE
14 CLAIMED AND IF NOT FULLY USED IN THE INITIAL YEAR FOR WHICH THE CREDIT
15 IS CLAIMED MAY BE CARRIED OVER, IN ORDER, TO EACH OF THE FIVE SUCCEEDING
16 TAXABLE YEARS. THE CREDIT AUTHORIZED BY THIS SUBDIVISION MAY NOT BE USED
17 TO REDUCE THE TAX LIABILITY OF THE CREDIT CLAIMANT BELOW ZERO.
18 (D) DEFINITIONS. AS USED IN THIS SUBDIVISION, THE TERM "COLLEGE" SHALL
19 MEAN A PUBLIC OR INDEPENDENT COLLEGE; THE TERM "PUBLIC COLLEGE" SHALL
20 MEAN EACH COMPONENT OF THE STATE UNIVERSITY, AS DEFINED IN SUBDIVISION
21 THREE OF SECTION THREE HUNDRED FIFTY-TWO OF THE EDUCATION LAW AND IN

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

LBD10514-02-2

1 SUBDIVISION TWO OF SECTION SIXTY-THREE HUNDRED ONE OF THE EDUCATION LAW
2 AND EACH COMMUNITY COLLEGE AND SENIOR COLLEGE OF THE CITY UNIVERSITY OF
3 NEW YORK, AS DEFINED IN SUBDIVISIONS FOUR AND FIVE OF SECTION SIXTY-TWO
4 HUNDRED TWO OF THE EDUCATION LAW; AND THE TERM "INDEPENDENT COLLEGE"
5 SHALL MEAN EACH INDEPENDENT NOT-FOR-PROFIT INSTITUTION OF HIGHER EDUCA-
6 TION, AS DEFINED IN SUBDIVISION TWO OF SECTION SIXTY-FOUR HUNDRED ONE OF
7 THE EDUCATION LAW.

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

11 (XXXIV) SMALL BUSINESS TAX CREDIT; COSTS UNDER SUBDIVISION
12 UNEMPLOYED COLLEGE GRADUATES FORTY-FIVE OF SECTION
13 UNDER SUBSECTION (UU) TWO HUNDRED TEN

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

16 (UU) SMALL BUSINESS TAX CREDIT; UNEMPLOYED COLLEGE GRADUATES. (1)
17 GENERAL. A TAXPAYER WHO HAS ONE HUNDRED EMPLOYEES OR LESS, SHALL BE
18 ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBSECTION, AGAINST
19 THE TAX IMPOSED BY THIS ARTICLE FOR EACH UNEMPLOYED COLLEGE GRADUATE
20 HIRED DURING A TAXABLE YEAR, PROVIDED THAT SUCH UNEMPLOYED COLLEGE GRAD-
21 UATE IS EMPLOYED FOR THIRTY-FIVE HOURS OR MORE PER WEEK AND REMAINS IN
22 THE EMPLOY OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE.

23 (2) AMOUNT OF CREDIT. A CREDIT AUTHORIZED BY THIS SECTION SHALL EQUAL
24 FIVE THOUSAND DOLLARS PER HIRED UNEMPLOYED COLLEGE GRADUATE BUT SHALL
25 NOT EXCEED TWENTY-FIVE THOUSAND DOLLARS.

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

31 (4) DEFINITIONS. AS USED IN THIS SUBSECTION, THE TERM "COLLEGE" SHALL
32 MEAN A PUBLIC OR INDEPENDENT COLLEGE; THE TERM "PUBLIC COLLEGE" SHALL
33 MEAN EACH COMPONENT OF THE STATE UNIVERSITY, AS DEFINED IN SUBDIVISION
34 THREE OF SECTION THREE HUNDRED FIFTY-TWO OF THE EDUCATION LAW AND IN
35 SUBDIVISION TWO OF SECTION SIXTY-THREE HUNDRED ONE OF THE EDUCATION LAW
36 AND EACH COMMUNITY COLLEGE AND SENIOR COLLEGE OF THE CITY UNIVERSITY OF
37 NEW YORK, AS DEFINED IN SUBDIVISIONS FOUR AND FIVE OF SECTION SIXTY-TWO
38 HUNDRED TWO OF THE EDUCATION LAW; AND THE TERM "INDEPENDENT COLLEGE"
39 SHALL MEAN EACH INDEPENDENT NOT-FOR-PROFIT INSTITUTION OF HIGHER EDUCA-
40 TION, AS DEFINED IN SUBDIVISION TWO OF SECTION SIXTY-FOUR HUNDRED ONE OF
41 THE EDUCATION LAW.

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