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

6538

I N S E N A T E

February 23, 2012

Introduced by Sen. GRISANTI -- 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 employment of New York state residents by taxpayers eligible to receive certain tax credits

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. EMPLOYMENT OF NEW YORK STATE RESIDENTS. (A) A TAXPAYER SHALL NOT BE ENTITLED TO RECEIVE ANY CREDIT OR CREDITS PROVIDED BY THIS SECTION FOR THE PURPOSE OF ENGAGING IN A DEVELOPMENT PROJECT, THE COST OF WHICH EXCEEDS ONE MILLION DOLLARS, UNLESS SUCH TAXPAYER HAS SUBMITTED, ON A FORM AND IN A MANNER TO BE DETERMINED BY THE COMMISSIONER, A SWORN STATEMENT IN WRITING, UNDER OATH, ALONG WITH SUCH SUPPORTING DOCUMENTATION AS THE COMMISSIONER MAY REQUIRE, THAT EIGHTY-FIVE PERCENT OF THE LABOR FORCE HIRED TO COMPLETE SUCH DEVELOPMENT PROJECT DURING THE TAXABLE YEAR FOR WHICH SUCH STATEMENT IS SUBMITTED CONSISTED OF RESIDENTS OF THIS STATE. FOR PURPOSES OF THIS SUBDIVISION, "DEVELOPMENT PROJECT" SHALL MEAN THE REHABILITATION, IMPROVEMENT, CONSTRUCTION OR ACQUISITION, SINGLY OR IN COMBINATION, OF ONE OR MORE BUILDINGS OR STRUCTURES.

(B) NOTWITHSTANDING THE FOREGOING, A TAXPAYER SUBJECT TO THIS SUBDIVISION MAY RECEIVE ANY CREDIT PROVIDED BY THIS SECTION IF IT CAN SHOW THAT:

(I) IT MADE DILIGENT EFFORTS TO HIRE RESIDENT EMPLOYEES, BUT NO SUCH EMPLOYEES EXISTED OR WERE QUALIFIED FOR THE EMPLOYMENT POSITION;

(II) THE EMPLOYMENT POSITION REQUIRES SPECIALIZED TALENTS THAT CAN ONLY BE FILLED BY INDIVIDUALS WHO HAPPEN TO RESIDE OUTSIDE THIS STATE; OR

(III) AT THE TIME OF SUCH SUBMISSION, A LABOR FORCE HAS NOT YET BEEN HIRED TO COMPLETE THE DEVELOPMENT PROJECT BUT THAT EIGHTY-FIVE PERCENT OF THE LABOR FORCE THAT SUCH TAXPAYER INTENDS TO HIRE IN THE UPCOMING TAXABLE YEAR OR YEARS WILL CONSIST OF RESIDENTS OF THIS STATE.

S 2. This act shall take effect on the ninetieth day after it shall have become a law and shall apply to any credit claimed on or after such effective date.

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

LBD13998-07-2