

3254

2011-2012 Regular Sessions

I N A S S E M B L Y

January 24, 2011

Introduced by M. of A. MORELLE -- 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 training expenses for emerging technology employees

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 43 to read as follows:  
3 43. TAX CREDIT FOR TRAINING EXPENSES FOR EMERGING TECHNOLOGY EMPLOY-  
4 EES. (A) A TAXPAYER SHALL BE ALLOWED A CREDIT FOR TRAINING EXPENSES OF  
5 EMPLOYEES INVOLVED WITH EMERGING TECHNOLOGY. TO BE ELIGIBLE FOR THE  
6 CREDIT, TRAINING EXPENSES MUST BE FOR FULL-TIME EMPLOYEES INVOLVED IN  
7 THE DEVELOPMENT, MODIFICATION OR IMPROVEMENT OF EQUIPMENT AND SYSTEMS  
8 THAT INVOLVE ADVANCED COMPUTER SOFTWARE AND HARDWARE, VISUALIZATION  
9 TECHNOLOGIES, HUMAN INTERFACE TECHNOLOGIES, AS WELL AS PRODUCTS OR  
10 SERVICES WITH INTERACTIVE MEDIA CONTENT INVOLVING ELECTRONIC DISTRIB-  
11 UTION OR ELECTRONIC COMMERCE. SUCH TECHNOLOGIES SHALL INCLUDE, BUT ARE  
12 NOT LIMITED TO, THE FOLLOWING: OPERATING AND APPLICATIONS SOFTWARE,  
13 ARTIFICIAL INTELLIGENCE, COMPUTER MODELING AND SIMULATION, HIGH-LEVEL  
14 SOFTWARE LANGUAGES, NEURAL NETWORKS, PROCESSOR ARCHITECTURE, ANIMATION  
15 AND FULL-MOTION VIDEO, GRAPHICS HARDWARE AND SOFTWARE, SPEECH AND  
16 OPTICAL CHARACTER RECOGNITION, HIGH-VOLUME INFORMATION STORAGE AND  
17 RETRIEVAL, DATA COMPRESSION, BROADBAND SWITCHING, MULTIPLEXING, DIGITAL  
18 SIGNAL PROCESSING AND SPECTRUM TECHNOLOGIES.  
19 (B) TO QUALIFY AS ELIGIBLE EXPENSES, THE TRAINING UNDERTAKEN MUST BE  
20 TO MAINTAIN OR IMPROVE A SKILL REQUIRED BY THE EMPLOYEE IN HIS OR HER  
21 EMPLOYMENT OR THE TRAINING IS REQUIRED TO RETAIN SALARY STATUS OR  
22 EMPLOYMENT. THE TRAINING MAY TAKE PLACE OUTSIDE THE STATE AS LONG AS THE  
23 EMPLOYEE'S POSITION IS LOCATED WITHIN THE STATE, AND MAY INCLUDE, BUT  
24 NOT BE LIMITED TO, TRAINING TAKEN THROUGH INSTRUCTIONAL PROGRAMS, OR THE  
25 PURCHASE OF MATERIALS, SUPPLIES, TEXTBOOKS, MANUALS, VIDEOTAPES, AND

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

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1 OTHER INSTRUCTIONAL MEDIA AND EQUIPMENT, THROUGH THE INTERNET. TRAINING  
2 EXPENSES FOR WHICH A CREDIT IS ALLOWABLE AND CLAIMED UNDER ANY OTHER  
3 PROVISION OF THIS SECTION MAY NOT BE CLAIMED UNDER THIS SUBDIVISION.

4 (C) THE CREDIT SHALL BE EQUAL TO TWENTY-FIVE PERCENT OF TOTAL QUALI-  
5 FIED TRAINING EXPENSES INCURRED DURING THE TAXABLE YEAR. IN NO EVENT  
6 SHALL THE CREDIT UNDER THIS SUBDIVISION, AND CARRYOVERS OF SUCH CREDIT,  
7 ALLOWED UNDER THIS SUBDIVISION REDUCE THE TAX PAYABLE TO LESS THAN THE  
8 DOLLAR AMOUNT FIXED AS A MINIMUM TAX BY PARAGRAPH (D) OF SUBDIVISION ONE  
9 OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT OR CARRYOVERS OF SUCH  
10 CREDIT, OR BOTH, ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR  
11 REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT OR CARRYOVERS OF  
12 SUCH CREDIT THUS NOT USED IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO  
13 THE FOLLOWING YEAR OR YEARS AND MAY BE CLAIMED AS A CREDIT IN COMPUTING  
14 THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS. IN ADDITION, THE TAXPAYER MAY  
15 ELECT, ON ITS REPORT FOR ITS TAXABLE YEAR WITH RESPECT TO WHICH SUCH  
16 CREDIT IS ALLOWED, TO TREAT THE AMOUNT OF SUCH CARRYOVER AS AN OVERPAY-  
17 MENT OF TAX TO BE CREDITED OR REFUNDED. ANY REFUND PAID PURSUANT TO THIS  
18 PARAGRAPH SHALL BE DEEMED TO BE A REFUND OF AN OVERPAYMENT OF TAX,  
19 PROVIDED, HOWEVER, NO INTEREST SHALL BE PAID THEREON.

20 S 2. This act shall take effect immediately and shall be applicable to  
21 taxable years beginning on or after January 1, 2011.