

2273

2011-2012 Regular Sessions

I N S E N A T E

January 18, 2011

Introduced by Sen. KRUGER -- 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 increasing the minimum child and dependent care credit against the personal income tax

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

1 Section 1. Paragraph 1 of subsection (c) of section 606 of the tax  
2 law, as amended by section 1 of part M of chapter 63 of the laws of  
3 2000, is amended to read as follows:  
4 (1) A taxpayer shall be allowed a credit as provided herein equal to  
5 the applicable percentage of the credit allowable under section twenty-  
6 one of the internal revenue code for the same taxable year (without  
7 regard to whether the taxpayer in fact claimed the credit under such  
8 section twenty-one for such taxable year). The applicable percentage  
9 shall be the sum of (i) [twenty] FIFTY percent and (ii) a multiplier  
10 multiplied by a fraction. For taxable years beginning in nineteen  
11 hundred ninety-six and nineteen hundred ninety-seven, the numerator of  
12 such fraction shall be the lesser of (i) four thousand dollars or (ii)  
13 fourteen thousand dollars less the New York adjusted gross income for  
14 the taxable year, provided, however, the numerator shall not be less  
15 than zero. For the taxable year beginning in nineteen hundred ninety-  
16 eight, the numerator of such fraction shall be the lesser of (i) thir-  
17 teen thousand dollars or (ii) thirty thousand dollars less the New York  
18 adjusted gross income for the taxable year, provided, however, the  
19 numerator shall not be less than zero. For taxable years beginning in  
20 nineteen hundred ninety-nine, the numerator of such fraction shall be  
21 the lesser of (i) fifteen thousand dollars or (ii) fifty thousand  
22 dollars less the New York adjusted gross income for the taxable year,  
23 provided, however, the numerator shall not be less than zero. For taxa-  
24 ble years beginning after nineteen hundred ninety-nine, the numerator of

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

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1 such fraction shall be the lesser of (i) fifteen thousand dollars or  
2 (ii) sixty-five thousand dollars less the New York adjusted gross income  
3 for the taxable year, provided, however, the numerator shall not be less  
4 than zero. The denominator of such fraction shall be four thousand  
5 dollars for taxable years beginning in nineteen hundred ninety-six and  
6 nineteen hundred ninety-seven, thirteen thousand dollars for the taxable  
7 year beginning in nineteen hundred ninety-eight, and fifteen thousand  
8 dollars for taxable years beginning after nineteen hundred ninety-eight.  
9 The multiplier shall be ten percent for taxable years beginning in nine-  
10 teen hundred ninety-six, forty percent for taxable years beginning in  
11 nineteen hundred ninety-seven, [and] eighty percent for taxable years  
12 beginning [after nineteen hundred ninety-seven] IN NINETEEN HUNDRED  
13 NINETY-EIGHT, NINETEEN HUNDRED NINETY-NINE, TWO THOUSAND, TWO THOUSAND  
14 ONE, TWO THOUSAND TWO, TWO THOUSAND THREE, TWO THOUSAND FOUR, TWO THOU-  
15 SAND FIVE, TWO THOUSAND SIX, AND TWO THOUSAND SEVEN AND FIFTY PERCENT  
16 FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND SEVEN. Provided, however,  
17 for taxable years beginning after nineteen hundred ninety-nine, for a  
18 person whose New York adjusted gross income is less than forty thousand  
19 dollars, such applicable percentage shall be equal to (i) one hundred  
20 percent, plus (ii) ten percent multiplied by a fraction whose numerator  
21 shall be the lesser of (i) fifteen thousand dollars or (ii) forty thou-  
22 sand dollars less the New York adjusted gross income for the taxable  
23 year, provided such numerator shall not be less than zero, and whose  
24 denominator shall be fifteen thousand dollars. Provided, further, that  
25 if the reversion event, as defined in this paragraph, occurs, the appli-  
26 cable percentage shall, for taxable years ending on or after the date on  
27 which the reversion event occurred, be determined using the rules speci-  
28 fied in this paragraph applicable to taxable years beginning in nineteen  
29 hundred ninety-nine. The reversion event shall be deemed to have  
30 occurred on the date on which federal action, including but not limited  
31 to, administrative, statutory or regulatory changes, materially reduces  
32 or eliminates New York state's allocation of the federal temporary  
33 assistance for needy families block grant, or materially reduces the  
34 ability of the state to spend federal temporary assistance for needy  
35 families block grant funds for the credit for certain household and  
36 dependent care services necessary for gainful employment or to apply  
37 state general fund spending on the credit for certain household and  
38 dependent care services necessary for gainful employment toward the  
39 temporary assistance for needy families block grant maintenance of  
40 effort requirement, and the commissioner of the office of temporary and  
41 disability assistance shall certify the date of such event to the  
42 commissioner, the director of the division of the budget, the speaker of  
43 the assembly and the temporary president of the senate.

44 S 2. This act shall take effect immediately and shall apply to taxable  
45 years commencing on and after January 1, 2012.