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

2352

2013-2014 Regular Sessions

I N A S S E M B L Y

January 14, 2013

Introduced by M. of A. SCARBOROUGH -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a returning heroes tax credit for businesses that hire veterans returning from war

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 46 to read as follows:

46. RETURNING HEROES TAX CREDIT. (A) GENERAL. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBDIVISION, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR EACH VETERAN OR WOUNDED VETERAN HIRED DURING A TAXABLE YEAR, PROVIDED THAT SUCH VETERAN OR WOUNDED VETERAN 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 TWO THOUSAND FOUR HUNDRED DOLLARS PER HIRED SHORT-TERM UNEMPLOYED VETERAN, FOUR THOUSAND EIGHT HUNDRED DOLLARS PER HIRED LONG-TERM UNEMPLOYED VETERAN, FOUR THOUSAND EIGHT HUNDRED DOLLARS PER HIRED SHORT-TERM UNEMPLOYED WOUNDED VETERAN AND NINE THOUSAND SIX HUNDRED DOLLARS PER HIRED LONG-TERM UNEMPLOYED VETERAN BUT SHALL NOT EXCEED FIFTEEN 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.

(D) DEFINITIONS. AS USED IN THIS SUBDIVISION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(I) "LONG-TERM UNEMPLOYED" SHALL MEAN A VETERAN, AS DEFINED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, THAT HAS BEEN UNEMPLOYED FOR LONGER THAN SIX MONTHS.

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

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(II) "SHORT-TERM UNEMPLOYED" SHALL MEAN A VETERAN, AS DEFINED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, THAT HAS BEEN UNEMPLOYED FOR LONGER THAN FOUR WEEKS, BUT NO LONGER THAN SIX MONTHS.

(III) "VETERAN" SHALL MEAN A PERSON WHO SERVED IN THE ACTIVE MILITARY, NAVAL, OR AIR SERVICE DURING A PERIOD OF WAR, OR WHO WAS A RECIPIENT OF THE ARMED FORCES EXPEDITIONARY MEDAL, NAVY EXPEDITIONARY MEDAL, MARINE CORPS EXPEDITIONARY MEDAL, OR GLOBAL WAR ON TERRORISM EXPEDITIONARY MEDAL, AND WHO WAS DISCHARGED OR RELEASED THEREFROM UNDER HONORABLE CONDITIONS.

(IV) "WOUNDED VETERAN" SHALL MEAN A VETERAN, AS DEFINED PURSUANT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH, WHO SUSTAINED A SERVICE CONNECTED DISABILITY AS CERTIFIED BY THE FEDERAL VETERAN'S ADMINISTRATION OR THE UNITED STATES DEPARTMENT OF DEFENSE, WHERE SUCH DISABILITY WAS INCURRED IN THE LINE OF DUTY IN ACTIVE MILITARY, NAVAL OR AIR SERVICE.

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

(XXXV) RETURNING VETERAN TAX CREDIT UNDER SUBSECTION (VV) — COSTS UNDER SUBDIVISION FORTY-SIX OF SECTION TWO HUNDRED TEN

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

(VV) RETURNING HEROES TAX CREDIT. (1) GENERAL. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBSECTION, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR EACH VETERAN OR WOUNDED VETERAN HIRED DURING A TAXABLE YEAR, PROVIDED THAT SUCH VETERAN OR WOUNDED VETERAN IS EMPLOYED FOR THIRTY-FIVE HOURS OR MORE PER WEEK AND REMAINS IN THE EMPLOY OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE.

(2) AMOUNT OF CREDIT. A CREDIT AUTHORIZED BY THIS SECTION SHALL EQUAL TWO THOUSAND FOUR HUNDRED DOLLARS PER HIRED SHORT-TERM UNEMPLOYED VETERAN, FOUR THOUSAND EIGHT HUNDRED DOLLARS PER HIRED LONG-TERM UNEMPLOYED VETERAN, FOUR THOUSAND EIGHT HUNDRED DOLLARS PER HIRED SHORT-TERM UNEMPLOYED WOUNDED VETERAN AND NINE THOUSAND SIX HUNDRED DOLLARS PER HIRED LONG-TERM UNEMPLOYED VETERAN BUT SHALL NOT EXCEED FIFTEEN THOUSAND DOLLARS.

(3) CARRYOVERS. THE CREDIT ALLOWED UNDER 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.

(4) DEFINITIONS. AS USED IN THIS SUBSECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(A) "LONG-TERM UNEMPLOYED" SHALL MEAN A VETERAN, AS DEFINED PURSUANT TO SUBPARAGRAPH (C) OF THIS PARAGRAPH, THAT HAS BEEN UNEMPLOYED FOR LONGER THAN SIX MONTHS.

(B) "SHORT-TERM UNEMPLOYED" SHALL MEAN A VETERAN, AS DEFINED PURSUANT TO SUBPARAGRAPH (C) OF THIS PARAGRAPH, THAT HAS BEEN UNEMPLOYED FOR LONGER THAN FOUR WEEKS, BUT NO LONGER THAN SIX MONTHS.

(C) "VETERAN" SHALL MEAN A PERSON WHO SERVED IN THE ACTIVE MILITARY, NAVAL, OR AIR SERVICE DURING A PERIOD OF WAR, OR WHO WAS A RECIPIENT OF THE ARMED FORCES EXPEDITIONARY MEDAL, NAVY EXPEDITIONARY MEDAL, MARINE CORPS EXPEDITIONARY MEDAL, OR GLOBAL WAR ON TERRORISM EXPEDITIONARY MEDAL, AND WHO WAS DISCHARGED OR RELEASED THEREFROM UNDER HONORABLE CONDITIONS.

(D) "WOUNDED VETERAN" SHALL MEAN A VETERAN, AS DEFINED PURSUANT TO SUBPARAGRAPH (C) OF THIS PARAGRAPH, WHO SUSTAINED A SERVICE CONNECTED

DISABILITY AS CERTIFIED BY THE FEDERAL VETERAN'S ADMINISTRATION OR THE UNITED STATES DEPARTMENT OF DEFENSE, WHERE SUCH DISABILITY WAS INCURRED IN THE LINE OF DUTY IN THE ACTIVE MILITARY, NAVAL OR AIR SERVICE.

S 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2014.