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

5266

2013-2014 Regular Sessions

I N A S S E M B L Y

February 21, 2013

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

AN ACT to amend the tax law, in relation to providing a credit for general volunteer services performed and hours expended during a federal disaster or emergency

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

Section 1. The tax law is amended by adding a new section 620-b to read as follows:

S 620-B. CREDIT FOR GENERAL VOLUNTEER SERVICES PERFORMED FOR CHARITABLE NOT-FOR-PROFIT CORPORATIONS. (A) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL MEAN:

(1) "FEDERAL DISASTER OR EMERGENCY" SHALL MEAN THOSE EMERGENCIES WHICH ARE DEFINED BY THE FEDERAL DISASTER RELIEF AND EMERGENCY ASSISTANCE ACT OF 1988. EMERGENCY SHALL INCLUDE ANY OCCASION OR INSTANCE FOR WHICH, IN THE DETERMINATION OF THE PRESIDENT OF THE UNITED STATES, FEDERAL ASSISTANCE IS NEEDED TO SUPPLEMENT STATE AND LOCAL EFFORTS AND CAPABILITIES TO SAVE LIVES AND TO PROTECT PROPERTY AND PUBLIC HEALTH AND SAFETY, OR TO LESSEN OR AVERT THE THREAT OF A CATASTROPHE IN ANY PART OF THE UNITED STATES.

(2) "SENIOR CITIZEN" SHALL MEAN THOSE INDIVIDUALS WHO QUALIFY OR BECOME ELIGIBLE FOR SOCIAL SECURITY BENEFITS OR ARE RECEIVING A FIXED RETIREMENT INCOME AND NOT WORKING FULL-TIME.

(B) GENERAL. A RESIDENT SHALL BE ALLOWED THE FOLLOWING TAX CREDITS AGAINST THE TAX OTHERWISE DUE UNDER THIS ARTICLE: UP TO THE AMOUNT OF FIVE HUNDRED DOLLARS IN ANY TAXABLE YEAR FOR GENERAL VOLUNTEER SERVICES PERFORMED FOR FEDERAL, STATE OR MUNICIPAL AGENCIES OR CHARITABLE NOT-FOR-PROFIT CORPORATIONS OR ORGANIZATIONS, UP TO THE AMOUNT OF ONE THOUSAND TWO HUNDRED FIFTY DOLLARS FOR BOTH GENERAL VOLUNTEER SERVICES PERFORMED AND HOURS EXPENDED FOR FEDERAL DISASTER OR EMERGENCY RELIEF,

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

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OR A ONE-TIME DEDUCTION OF TWO THOUSAND FIVE HUNDRED DOLLARS FOR YOUTH VOLUNTEERS.

(C) LIMITATION. NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION, SUCH CREDIT SHALL NOT EXCEED THE AMOUNT OF TAX OWED BY SUCH RESIDENT FOR ANY TAXABLE YEAR; NOR SHALL ANY CREDIT BE GRANTED FOR VOLUNTEER SERVICES PROVIDED BY A RESIDENT WHICH ARE NORMALLY AND CUSTOMARILY PERFORMED BY A PAID EMPLOYEE OF THE FEDERAL, STATE OR MUNICIPAL GOVERNMENT OR THE CHARITABLE NOT-FOR-PROFIT CORPORATION OR ORGANIZATION FOR WHICH THE RESIDENT IS PROVIDING SERVICES.

(D) CALCULATION OF TAX CREDITS. (1) VOLUNTEER TAX CREDIT FOR GENERAL SERVICES. EACH INDIVIDUAL TAXPAYER WHO FILES AN INDIVIDUAL INCOME TAX RETURN FOR A TAXABLE YEAR MAY CLAIM A NONREFUNDABLE VOLUNTEER TAX CREDIT FOR GENERAL SERVICES. THE VALUATION OF THE NONREFUNDABLE VOLUNTEER TAX CREDIT IS FOR THOSE HOURS IN EXCESS OF THE FIRST TEN HOURS OF SERVICE. THE VOLUNTEER TAX CREDIT FOR GENERAL SERVICES IS CALCULATED BY MULTIPLYING THE NUMBER OF VOLUNTEER HOURS IN EXCESS OF THE FIRST TEN HOURS BY THE CURRENT MINIMUM WAGE RATE. THE TOTAL YEARLY TAX CREDIT CANNOT EXCEED FIVE HUNDRED DOLLARS FOR ANY TAXABLE YEAR. IF THE TAX CREDIT UNDER THIS SECTION EXCEEDS THE INDIVIDUAL'S TAX LIABILITY, THE EXCESS OF CREDITS OVER LIABILITY SHALL NOT BE REFUNDED TO THE TAXPAYER.

(2) VOLUNTEER TAX CREDIT FOR FEDERAL DISASTER OR EMERGENCY RELIEF. RESIDENTS MAY CLAIM A TAX CREDIT OF UP TO SEVEN HUNDRED FIFTY DOLLARS FOR GENERAL VOLUNTEER SERVICES PERFORMED DURING NATIONAL DISASTERS OR EMERGENCIES FOR THOSE HOURS WORKED IN EXCESS OF TWENTY HOURS. THE HOURS ACCUMULATED ON FEDERAL EMERGENCIES CAN ONLY BE ACCUMULATED ON THOSE ACTIVITIES SPECIFICALLY DEALING WITH DISASTER OR EMERGENCY RELIEF. THE CREDIT EXPIRES WHEN THE FEDERAL DISASTER IS NO LONGER DECLARED AN EMERGENCY OR THE EMERGENCY DESIGNATION EXPIRES. THE VOLUNTEER TAX CREDIT AVAILABLE PURSUANT TO THIS PARAGRAPH IS CALCULATED BY MULTIPLYING THE NUMBER OF VOLUNTEER HOURS IN EXCESS OF THE FIRST TWENTY HOURS BY THE CURRENT MINIMUM WAGE RATE. THE TOTAL YEARLY TAX CREDIT CANNOT EXCEED SEVEN HUNDRED FIFTY DOLLARS FOR ANY TAXABLE YEAR. IF THE TAX CREDIT UNDER THIS SECTION EXCEEDS THE INDIVIDUAL'S TAX LIABILITY, THE EXCESS OF CREDITS OVER LIABILITY SHALL NOT BE REFUNDED TO THE TAXPAYER. THE VOLUNTEER HOURS FOR A FEDERAL DISASTER OR EMERGENCY MAY BE ADDED TO THE VOLUNTEER TAX CREDIT FOR GENERAL SERVICES AVAILABLE UNDER PARAGRAPH ONE OF THIS SUBSECTION IF THERE IS ITEMIZED PROOF OF THE HOURS EXPENDED FOR THE FEDERAL DISASTER OR EMERGENCY RELIEF AND ITEMIZED PROOF OF SEPARATE VOLUNTEER HOURS FOR GENERAL SERVICES. UNLESS AS OTHERWISE PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE TOTAL YEARLY COMBINED TAX CREDIT FOR GENERAL SERVICES AND FEDERAL DISASTER OR EMERGENCY RELIEF SERVICES MAY NOT EXCEED ONE THOUSAND TWO HUNDRED FIFTY DOLLARS.

(E) CARRY OVER OR CARRY FORWARD VOLUNTEER TAX CREDIT FOR YOUTH VOLUNTEERS AGED SIXTEEN TO TWENTY-ONE. FOR HOURS IN EXCESS OF HIGH SCHOOL COMMUNITY SERVICE OR VOLUNTEER REQUIREMENTS FOR GRADUATING HIGH SCHOOL, A VOLUNTEER MAY AGGREGATE HIS OR HER YEARLY CREDITS FOR UP TO FIVE YEARS IN WHICH HE OR SHE WAS NOT A SALARIED EMPLOYEE. THE YOUTH VOLUNTEER MAY CARRY FORWARD OR CARRYOVER AND APPLY UP TO TWO THOUSAND FIVE HUNDRED DOLLARS AS A ONE TIME DEDUCTION TO THE SALARY OF HIS OR HER FIRST FULL-TIME SALARIED JOB. THE ONE TIME AGGREGATE DEDUCTION CAN BE CARRIED OVER OR CARRIED FORWARD FOR FIVE YEARS OR UNTIL THE YOUTH VOLUNTEER OBTAINS HIS OR HER FIRST FULL-TIME SALARIED JOB, WHICHEVER IS SHORTER.

(F) TRANSFER OF YEARLY DEDUCTIONS BY SENIOR CITIZENS OR RETIRED PERSONS. SENIOR CITIZENS OR RETIRED PERSONS MAY TRANSFER YEARLY DEDUCTIONS TO THEIR GRANDCHILDREN, EXCEPT IN THE TAX YEAR IN WHICH THE GRANDCHILD HAS AGGREGATED HIS OR HER DEDUCTION TO APPLY TO HIS OR HER

FIRST FULL-TIME SALARIED JOB. IN YEARS AFTER THE GRANDCHILD HAS OBTAINED HIS OR HER FIRST FULL-TIME SALARIED JOB, THE TOTAL YEARLY DEDUCTION FOR THE GRANDCHILD MAY NOT EXCEED A TOTAL OF ONE THOUSAND DOLLARS, WHICH INCLUDES THE GRANDCHILD'S FIVE HUNDRED DOLLAR CREDIT ADDED TO THE TRANSFERABLE CREDIT OF BOTH GRANDPARENTS, WHICH SHALL NOT EXCEED FIVE HUNDRED DOLLARS. THE TRANSFERABLE CREDIT MAY BE AGGREGATED UNTIL THE GRANDCHILD REACHES THE AGE OF THIRTY YEARS OLD.

(G) REGULATIONS OF THE COMMISSIONER. THE COMMISSIONER SHALL DEVELOP RULES AND REGULATIONS REGARDING A METHOD FOR DOCUMENTING THE ACTUAL PERFORMANCE BY A RESIDENT OF THE HOURS OF GENERAL VOLUNTEER SERVICE AND HOURS EXPENDED FOR FEDERAL DISASTER OR EMERGENCY RELIEF REQUIRED TO ESTABLISH ELIGIBILITY FOR THE TAX CREDIT AUTHORIZED BY THIS SECTION. THE COMMISSIONER SHALL ALSO ISSUE CERTIFICATES OF ELIGIBILITY TO NOT-FOR-PROFIT CORPORATIONS OR ORGANIZATIONS WHICH ARE ORGANIZED FOR CHARITABLE PURPOSES IF THE COMMISSIONER IS SATISFIED, UPON APPLICATION OF SUCH CORPORATION OR ORGANIZATION, THAT SUCH CORPORATION OR ORGANIZATION IS REGULARLY AND EFFECTIVELY PERFORMING CHARITABLE WORKS CONSISTENT WITH THE PURPOSES FOR WHICH THE SAME WERE INCORPORATED OR ORGANIZED. ONLY GENERAL VOLUNTEER SERVICES PERFORMED OR HOURS EXPENDED FOR FEDERAL DISASTER OR EMERGENCY RELIEF FOR A FEDERAL, STATE OR MUNICIPAL AGENCY OR A CERTIFIED NOT-FOR-PROFIT CORPORATION OR ORGANIZATION SHALL QUALIFY FOR THE CREDIT AUTHORIZED BY THIS SECTION.

S 2. This act shall take effect immediately and shall apply to all taxable years commencing after December thirty-first of the year preceding such effective date.