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

3043

2013-2014 Regular Sessions

I N S E N A T E

January 29, 2013

Introduced by Sens. CARLUCCI, ADDABBO, BALL, GRISANTI, KLEIN, LANZA, SAVINO, SMITH, VALESKY -- 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 establishing business franchise, personal income, banking franchise and insurance franchise tax credits for a portion of the wages paid to certain veterans

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 23-a to read as follows:

23-A. CREDIT FOR EMPLOYMENT OF CERTAIN VETERANS. (A) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBDIVISION, AGAINST THE TAX IMPOSED BY THE ARTICLE, FOR HIRING AND EMPLOYING, FOR NOT LESS THAN ONE YEAR AND FOR NOT LESS THAN THIRTY-FIVE HOURS EACH WEEK, A QUALIFIED VETERAN WITHIN THE STATE.

(B) QUALIFIED TAXPAYER. A QUALIFIED TAXPAYER IS A TAXPAYER WHICH IS AN EMPLOYER, OTHER THAN THE FEDERAL, THE STATE OR A LOCAL GOVERNMENT OR ANY INSTRUMENTALITY THEREOF.

(C) QUALIFIED VETERAN. A QUALIFIED VETERAN IS AN INDIVIDUAL WHO RESIDES IN THIS STATE:

(1) WHO SERVED ON ACTIVE DUTY IN THE UNITED STATES ARMY, NAVY, AIR FORCE, MARINE CORPS, COAST GUARD OR THE RESERVES THEREOF, OR WHO SERVED IN ACTIVE MILITARY SERVICE OF THE UNITED STATES AS A MEMBER OF THE ARMY NATIONAL GUARD, AIR NATIONAL GUARD, NEW YORK GUARD OR NEW YORK NAVAL MILITIA; WHO WAS RELEASED FROM ACTIVE DUTY BY GENERAL OR HONORABLE DISCHARGE AFTER SEPTEMBER ELEVENTH, TWO THOUSAND ONE;

(2) WHO COMMENCES EMPLOYMENT BY THE QUALIFIED TAXPAYER ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, AND BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN;

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

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(3) WHO CERTIFIES BY SIGNED AFFIDAVIT, UNDER PENALTY OF PERJURY, THAT HE OR SHE HAS NOT BEEN EMPLOYED FOR THIRTY-FIVE OR MORE HOURS DURING ANY WEEK IN THE ONE HUNDRED EIGHTY DAY PERIOD IMMEDIATELY PRIOR TO HIS OR HER EMPLOYMENT BY THE QUALIFIED TAXPAYER; AND

(4) WHO WAS NOT EMPLOYED BY THE QUALIFIED TAXPAYER TO REPLACE ANOTHER EMPLOYEE.

(D) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE TEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN; PROVIDED, HOWEVER, THAT IF THE QUALIFIED VETERAN IS A DISABLED VETERAN, AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW, THE AMOUNT OF THE CREDIT SHALL BE FIFTEEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN. THE CREDIT ALLOWED PURSUANT TO THIS SUBDIVISION SHALL NOT EXCEED, DURING ANY TAXABLE YEAR, TEN THOUSAND DOLLARS FOR ANY QUALIFIED VETERAN AND FIFTEEN THOUSAND DOLLARS FOR ANY QUALIFIED VETERAN WHO IS A DISABLED VETERAN. "QUALIFIED WAGES" MEANS WAGES PAID OR INCURRED BY THE QUALIFIED TAXPAYER DURING THE TAXABLE YEAR TO A QUALIFIED VETERAN WHICH ARE ATTRIBUTABLE, WITH RESPECT TO SUCH VETERAN, TO SERVICES RENDERED BY THE QUALIFIED VETERAN.

(E) CARRYOVER. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE AMOUNT PRESCRIBED IN PARAGRAPH (D) OF SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING THREE YEARS, AND MAY BE DEDUCTED FROM THE QUALIFIED TAXPAYER'S TAX FOR SUCH YEARS.

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) CREDIT FOR EMPLOYMENT OF CERTAIN VETERANS UNDER SUBSECTION (A-2)	QUALIFIED WAGES UNDER SUBDIVISION TWENTY-THREE-A OF SECTION TWO HUNDRED TEN OR SUBSECTION (E-1) OF SECTION FOURTEEN HUNDRED FIFTY-SIX

S 3. Section 606 of the tax law is amended by adding a new subsection (a-2) to read as follows:

(A-2) CREDIT FOR EMPLOYMENT OF CERTAIN VETERANS. (1) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBSECTION, AGAINST THE TAX IMPOSED BY THIS ARTICLE, FOR HIRING AND EMPLOYING, FOR NOT LESS THAN ONE YEAR AND FOR NOT LESS THAN THIRTY-FIVE HOURS EACH WEEK, A QUALIFIED VETERAN WITHIN THE STATE.

(2) QUALIFIED TAXPAYER. A QUALIFIED TAXPAYER IS A TAXPAYER WHO IS AN EMPLOYER, OTHER THAN THE FEDERAL, THE STATE OR A LOCAL GOVERNMENT OR ANY INSTRUMENTALITY THEREOF.

(3) QUALIFIED VETERAN. A QUALIFIED VETERAN IS AN INDIVIDUAL WHO RESIDES IN THIS STATE:

(A) WHO SERVED ON ACTIVE DUTY IN THE UNITED STATES ARMY, NAVY, AIR FORCE, MARINE CORPS, COAST GUARD OR THE RESERVES THEREOF, OR WHO SERVED IN ACTIVE MILITARY SERVICE OF THE UNITED STATES AS A MEMBER OF THE ARMY NATIONAL GUARD, AIR NATIONAL GUARD, NEW YORK GUARD OR NEW YORK NAVAL

MILITIA; WHO WAS RELEASED FROM ACTIVE DUTY BY GENERAL OR HONORABLE DISCHARGE AFTER SEPTEMBER ELEVENTH, TWO THOUSAND ONE;

(B) WHO COMMENCES EMPLOYMENT BY THE QUALIFIED TAXPAYER ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, AND BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN;

(C) WHO CERTIFIES BY SIGNED AFFIDAVIT, UNDER PENALTY OF PERJURY, THAT HE OR SHE HAS NOT BEEN EMPLOYED FOR THIRTY-FIVE OR MORE HOURS DURING ANY WEEK, IN THE ONE HUNDRED EIGHTY DAY PERIOD IMMEDIATELY PRIOR TO HIS OR HER EMPLOYMENT BY THE QUALIFIED TAXPAYER; AND

(D) WHO WAS NOT EMPLOYED BY THE QUALIFIED TAXPAYER TO REPLACE ANOTHER EMPLOYEE.

(4) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE TEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN; PROVIDED, HOWEVER, THAT IF THE QUALIFIED VETERAN IS A DISABLED VETERAN, AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW, THE AMOUNT OF THE CREDIT SHALL BE FIFTEEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN. THE CREDIT ALLOWED PURSUANT TO THIS SUBSECTION SHALL NOT EXCEED, DURING ANY TAXABLE YEAR, TEN THOUSAND DOLLARS FOR ANY QUALIFIED VETERAN AND FIFTEEN THOUSAND DOLLARS FOR ANY QUALIFIED VETERAN WHO IS A DISABLED VETERAN. "QUALIFIED WAGES" MEANS WAGES PAID OR INCURRED BY THE QUALIFIED TAXPAYER DURING THE TAXABLE YEAR TO A QUALIFIED VETERAN WHICH ARE ATTRIBUTABLE, WITH RESPECT TO SUCH VETERAN, TO SERVICES RENDERED BY THE QUALIFIED VETERAN.

(5) CARRYOVER. IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING THREE YEARS, AND MAY BE DEDUCTED FROM THE QUALIFIED TAXPAYER'S TAX FOR SUCH YEARS.

S 4. Section 1456 of the tax law is amended by adding a new subsection (e-1) to read as follows:

(E-1) CREDIT FOR EMPLOYMENT OF CERTAIN VETERANS. (1) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN THIS SUBSECTION, AGAINST THE TAX IMPOSED BY THIS ARTICLE, FOR HIRING AND EMPLOYING, FOR NOT LESS THAN ONE YEAR AND FOR NOT LESS THAN THIRTY-FIVE HOURS EACH WEEK, A QUALIFIED VETERAN WITHIN THE STATE.

(2) QUALIFIED TAXPAYER. A QUALIFIED TAXPAYER IS A TAXPAYER WHICH IS AN EMPLOYER, OTHER THAN THE FEDERAL, THE STATE OR A LOCAL GOVERNMENT OR ANY INSTRUMENTALITY THEREOF.

(3) QUALIFIED VETERAN. A QUALIFIED VETERAN IS AN INDIVIDUAL WHO RESIDES IN THIS STATE:

(A) WHO SERVED ON ACTIVE DUTY IN THE UNITED STATES ARMY, NAVY, AIR FORCE, MARINE CORPS, COAST GUARD OR THE RESERVES THEREOF, OR WHO SERVED IN ACTIVE MILITARY SERVICE OF THE UNITED STATES AS A MEMBER OF THE ARMY NATIONAL GUARD, AIR NATIONAL GUARD, NEW YORK GUARD OR NEW YORK NAVAL MILITIA; WHO WAS RELEASED FROM ACTIVE DUTY BY GENERAL OR HONORABLE DISCHARGE AFTER SEPTEMBER ELEVENTH, TWO THOUSAND ONE;

(B) WHO COMMENCES EMPLOYMENT BY THE QUALIFIED TAXPAYER ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, AND BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN;

(C) WHO CERTIFIES BY SIGNED AFFIDAVIT, UNDER PENALTY OR PERJURY, THAT HE OR SHE HAS NOT BEEN EMPLOYED FOR THIRTY-FIVE OR MORE HOURS DURING ANY WEEK IN THE ONE HUNDRED EIGHTY DAY PERIOD IMMEDIATELY PRIOR TO HIS OR HER EMPLOYMENT BY THE QUALIFIED TAXPAYER; AND

(D) WHO WAS NOT EMPLOYED BY THE QUALIFIED TAXPAYER TO REPLACE ANOTHER EMPLOYEE.

(4) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE TEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN; PROVIDED, HOWEVER, THAT IF THE QUALIFIED VETERAN IS A DISABLED VETERAN, AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW, THE AMOUNT OF THE CREDIT SHALL BE FIFTEEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN. THE CREDIT ALLOWED PURSUANT TO THIS SUBSECTION SHALL NOT EXCEED, DURING ANY TAXABLE YEAR, TEN THOUSAND DOLLARS FOR ANY QUALIFIED VETERAN AND FIFTEEN THOUSAND DOLLARS FOR ANY QUALIFIED VETERAN WHO IS A DISABLED VETERAN. "QUALIFIED WAGES" MEANS WAGES PAID OR INCURRED BY THE QUALIFIED TAXPAYER DURING THE TAXABLE YEAR TO A QUALIFIED VETERAN WHICH ARE ATTRIBUTABLE, WITH RESPECT TO SUCH VETERAN, TO SERVICES RENDERED BY THE QUALIFIED VETERAN.

(5) CARRYOVER. THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED FIFTY-FIVE OF THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING THREE YEARS, AND MAY BE, DEDUCTED FROM THE QUALIFIED TAXPAYER'S TAX FOR SUCH YEARS.

S 5. Section 1511 of the tax law is amended by adding a new subdivision (g-1) to read as follows:

(G-1) CREDIT FOR EMPLOYMENT OF CERTAIN VETERANS. (1) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN THIS SUBDIVISION, AGAINST THE TAX IMPOSED BY THIS ARTICLE, FOR HIRING AND EMPLOYING, FOR NOT LESS THAN ONE YEAR AND FOR NOT LESS THAN THIRTY-FIVE HOURS EACH WEEK, A QUALIFIED VETERAN WITHIN THE STATE.

(2) QUALIFIED TAXPAYER. A QUALIFIED TAXPAYER IS A TAXPAYER WHICH IS AN EMPLOYER, OTHER THAN THE FEDERAL, THE STATE OR A LOCAL GOVERNMENT OR ANY INSTRUMENTALITY THEREOF.

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(A) WHO SERVED ON ACTIVE DUTY IN THE UNITED STATES ARMY, NAVY, AIR FORCE, MARINE CORPS, COAST GUARD OR THE RESERVES THEREOF, OR WHO SERVED IN THE ACTIVE MILITARY SERVICE OF THE UNITES STATES AS A MEMBER OF THE ARMY NATIONAL GUARD, AIR NATIONAL GUARD, NEW YORK GUARD OR NEW YORK NAVAL MILITIA; WHO WAS RELEASED FROM ACTIVE DUTY BY GENERAL OR HONORABLE DISCHARGE AFTER SEPTEMBER ELEVENTH, TWO THOUSAND ONE;

(B) WHO COMMENCES EMPLOYMENT BY THE QUALIFIED TAXPAYER ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, AND BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN;

(C) WHO CERTIFIES BY SIGNED AFFIDAVIT, UNDER PENALTY OF PERJURY, THAT HE OR SHE HAS NOT BEEN EMPLOYED FOR THIRTY-FIVE OR MORE HOURS DURING ANY WEEK IN THE ONE HUNDRED EIGHTY DAY PERIOD IMMEDIATELY PRIOR TO HIS OR HER EMPLOYMENT BY THE QUALIFIED TAXPAYER; AND

(D) WHO WAS NOT EMPLOYED BY THE QUALIFIED TAXPAYER TO REPLACE ANOTHER EMPLOYEE.

(4) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE TEN PERCENT OF THE QUALIFIED WAGES PAID TO THE QUALIFIED VETERAN PRIOR TO JANUARY FIRST, TWO THOUSAND FIFTEEN; PROVIDED, HOWEVER, THAT IF THE QUALIFIED VETERAN IS A DISABLED VETERAN, AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW, THE AMOUNT OF

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(5) CARRYOVER. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM TAX FIXED BY PARAGRAPH FOUR OF SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING THREE YEARS, AND MAY BE DEDUCTED FROM THE QUALIFIED TAXPAYER'S TAX FOR SUCH YEARS.

S 6. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after January 1, 2013.