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2013-2014 Regular Sessions

I N S E N A T E

January 14, 2013

Introduced by Sen. GALLIVAN -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- recommitted to the Committee on Investigations and Government Operations in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to a credit for employment of persons on probation or parole

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

1 Section 1. The tax law is amended by adding a new section 187-t to  
2 read as follows:  
3 S 187-T. CREDIT FOR EMPLOYMENT OF PERSONS ON PROBATION OR PAROLE. 1.  
4 ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE  
5 COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAXES IMPOSED BY THIS  
6 ARTICLE, OTHER THAN THE TAXES IMPOSED BY SECTIONS ONE HUNDRED EIGHTY,  
7 ONE HUNDRED EIGHTY-ONE, ONE HUNDRED EIGHTY-SIX-A AND ONE HUNDRED EIGHT-  
8 Y-SIX-E OF THIS ARTICLE, FOR EMPLOYING WITHIN THE STATE A QUALIFIED  
9 EMPLOYEE. PROVIDED, HOWEVER, THE AMOUNT OF CREDIT ALLOWED BY THIS  
10 SECTION AGAINST THE TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-FOUR OF  
11 THIS ARTICLE SHALL BE THE EXCESS OF THE CREDIT COMPUTED UNDER THIS  
12 SECTION OVER THE AMOUNT OF CREDIT ALLOWED BY THIS SECTION AGAINST THE  
13 TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-THREE OF THIS ARTICLE.  
14 2. QUALIFIED EMPLOYEE. A QUALIFIED EMPLOYEE IS AN INDIVIDUAL WHO:  
15 (A) HAS BEEN CONVICTED OF A FELONY UNDER ANY STATUTE OF THE UNITED  
16 STATES OR ANY STATE;  
17 (B) IS ON PROBATION OR PAROLE; AND  
18 (C) HAS WORKED ON A FULL-TIME BASIS FOR THE EMPLOYER WHO IS CLAIMING  
19 THE CREDIT FOR AT LEAST ONE HUNDRED EIGHTY DAYS OR FOUR HUNDRED HOURS.  
20 3. AMOUNT OF CREDIT. EXCEPT AS PROVIDED IN SUBDIVISION FOUR OF THIS  
21 SECTION, THE AMOUNT OF CREDIT UNDER THIS SECTION SHALL BE THIRTY-FIVE

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

LBD01975-03-4

1 PERCENT OF THE FIRST SIX THOUSAND DOLLARS IN QUALIFIED FIRST-YEAR WAGES  
2 EARNED BY EACH QUALIFIED EMPLOYEE. "QUALIFIED FIRST-YEAR WAGES" MEANS  
3 WAGES PAID OR INCURRED BY THE TAXPAYER DURING THE TAXABLE YEAR TO QUALI-  
4 FIED EMPLOYEES WHICH ARE ATTRIBUTABLE, WITH RESPECT TO ANY SUCH EMPLOY-  
5 EE, TO SERVICES RENDERED DURING THE ONE-YEAR PERIOD BEGINNING WITH THE  
6 DAY THE EMPLOYEE BEGINS WORK FOR THE TAXPAYER.

7 4. CREDIT WHERE FEDERAL WORK OPPORTUNITY TAX CREDIT APPLIES. WITH  
8 RESPECT TO ANY QUALIFIED EMPLOYEE WHOSE QUALIFIED FIRST-YEAR WAGES UNDER  
9 SUBDIVISION THREE OF THIS SECTION ALSO CONSTITUTE QUALIFIED FIRST-YEAR  
10 WAGES FOR PURPOSES OF THE WORK OPPORTUNITY TAX CREDIT FOR VOCATIONAL  
11 REHABILITATION REFERRALS UNDER SECTION FIFTY-ONE OF THE INTERNAL REVENUE  
12 CODE, THE AMOUNT OF CREDIT UNDER THIS SECTION SHALL BE THIRTY-FIVE  
13 PERCENT OF THE FIRST SIX THOUSAND DOLLARS IN QUALIFIED SECOND-YEAR WAGES  
14 EARNED BY EACH SUCH EMPLOYEE. "QUALIFIED SECOND-YEAR WAGES" MEANS WAGES  
15 PAID OR INCURRED BY THE TAXPAYER DURING THE TAXABLE YEAR TO QUALIFIED  
16 EMPLOYEES WHICH ARE ATTRIBUTABLE, WITH RESPECT TO ANY SUCH EMPLOYEE, TO  
17 SERVICES RENDERED DURING THE ONE-YEAR PERIOD BEGINNING ONE YEAR AFTER  
18 THE EMPLOYEE BEGINS WORK FOR THE TAXPAYER.

19 5. CARRYOVER. IN NO EVENT SHALL THE CREDIT UNDER THIS SECTION BE  
20 ALLOWED IN AN AMOUNT WHICH WILL REDUCE THE TAX PAYABLE TO LESS THAN THE  
21 APPLICABLE MINIMUM TAX FIXED BY SECTION ONE HUNDRED EIGHTY-THREE OR ONE  
22 HUNDRED EIGHTY-FIVE OF THIS ARTICLE. IF, HOWEVER, THE AMOUNT OF CREDIT  
23 ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO  
24 SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR  
25 MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED  
26 FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

27 6. COORDINATION WITH FEDERAL WORK OPPORTUNITY TAX CREDIT. THE  
28 PROVISIONS OF SECTIONS FIFTY-ONE AND FIFTY-TWO OF THE INTERNAL REVENUE  
29 CODE, AS SUCH SECTIONS APPLIED ON OCTOBER FIRST, NINETEEN HUNDRED NINE-  
30 TY-SIX, THAT APPLY TO THE WORK OPPORTUNITY TAX CREDIT FOR VOCATIONAL  
31 REHABILITATION REFERRALS SHALL APPLY TO THE CREDIT UNDER THIS SECTION TO  
32 THE EXTENT THAT SUCH SECTIONS ARE CONSISTENT WITH THE SPECIFIC  
33 PROVISIONS OF THIS SECTION, PROVIDED THAT IN THE EVENT OF A CONFLICT THE  
34 PROVISIONS OF THIS SECTION SHALL CONTROL.

35 S 2. This act shall take effect immediately, and shall only apply to  
36 taxable years after 2014.