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

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2015-2016 Regular Sessions

I N A S S E M B L Y

June 11, 2015

Introduced by M. of A. NOLAN, BRENNAN, BRONSON, FAHY, LIFTON -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to the empire state child credit and the family tax relief credit

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

Section 1. Paragraph 1 of subsection (c-1) of section 606 of the tax law, as amended by section 1 of part L-1 of chapter 109 of the laws of 2006, is amended to read as follows:

(1) A resident taxpayer shall be allowed a credit as provided herein equal to the greater of one hundred dollars times the number of qualifying children of the taxpayer or the applicable percentage of the child tax credit allowed the taxpayer under section twenty-four of the internal revenue code for the same taxable year for each qualifying child. Provided, however, in the case of a taxpayer whose federal adjusted gross income exceeds the applicable threshold amount set forth by section 24(b)(2) of the Internal Revenue Code, the credit shall only be equal to the applicable percentage of the child tax credit allowed the taxpayer under section 24 of the Internal Revenue Code for each qualifying child. For the purposes of this subsection, a qualifying child shall be a child who meets the definition of qualified child under section 24(c) of the internal revenue code and is at least four years of age. The applicable percentage shall be thirty-three percent. *FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND FIFTEEN, THE APPLICABLE PERCENTAGE SHALL BE SIXTY PERCENT.*

S 2. Paragraphs 1 and 2 of subsection (vv) of section 606 of the tax law, paragraph 1 as added by section 1 of part CC of chapter 59 of the laws of 2013 and paragraph 2 as amended by section 1 of part M of chapter 59 of the laws of 2014, are amended to read as follows:

1. (A) An individual taxpayer who meets the eligibility standards in paragraph two of this subsection shall be allowed a credit against the

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

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taxes imposed by this article of three hundred fifty dollars per return for tax years two thousand fourteen, two thousand fifteen, and two thousand sixteen.

(B) AN INDIVIDUAL TAXPAYER WHO MEETS THE ELIGIBILITY STANDARDS IN SUBPARAGRAPH (B) OF PARAGRAPH TWO OF THIS SUBSECTION SHALL BE ALLOWED A CREDIT AGAINST THE TAXES IMPOSED BY THIS ARTICLE OF THREE HUNDRED FIFTY DOLLARS PER RETURN FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND SIXTEEN.

2. (A) To be eligible for the credit, the taxpayer (or taxpayers filing joint returns) on the personal income tax return filed for the taxable year, must [(a)] (I) be a resident, [(b)] (II) claim one or more dependent children who were under the age of seventeen on the last day of the taxable year, [(c)] (III) have New York adjusted gross income of at least forty thousand dollars but no greater than three hundred thousand dollars, and [(d)] (IV) have a tax liability as determined under paragraph three of this subsection of greater than or equal to zero.

(B) TO BE ELIGIBLE FOR THE CREDIT PURSUANT TO SUBPARAGRAPH (B) OF PARAGRAPH ONE OF THIS SUBSECTION, THE TAXPAYER (OR TAXPAYERS FILING JOINT RETURNS) ON THE PERSONAL INCOME TAX RETURN FILED FOR THE TAXABLE YEAR, MUST (I) BE A RESIDENT, (II) CLAIM ONE OR MORE DEPENDANT CHILDREN WHO WERE UNDER THE AGE OF SEVENTEEN ON THE LAST DAY OF THE TAXABLE YEAR, (III) HAVE NEW YORK ADJUSTED GROSS INCOME OF AT LEAST FORTY THOUSAND DOLLARS BUT NO GREATER THAN ONE HUNDRED AND THIRTY THOUSAND DOLLARS, AND (IV) HAVE A TAX LIABILITY AS DETERMINED UNDER PARAGRAPH THREE OF THIS SUBSECTION OF GREATER THAN OR EQUAL TO ZERO.

S 3. This act shall take effect immediately.