

6523

I N   S E N A T E

January 22, 2016

---

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Veterans, Homeland Security and Military Affairs

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

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

- 1     Section 1. Section 210-B of the tax law is amended by adding a new  
2     subdivision 51 to read as follows:  
3     51. RETURNING VETERANS TAX CREDIT. (A) GENERAL. A TAXPAYER SHALL BE  
4     ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN THIS SUBDIVISION,  
5     AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR EACH VETERAN OR DISABLED  
6     VETERAN HIRED DURING A TAXABLE YEAR, PROVIDED THAT:  
7     (I) SUCH VETERAN IS A NEW EMPLOYEE AND IS EMPLOYED FOR THIRTY-FIVE  
8     HOURS OR MORE PER WEEK AND REMAINS IN THE EMPLOY OF SUCH TAXPAYER FOR  
9     TWELVE MONTHS OR MORE; OR  
10    (II) SUCH DISABLED VETERAN IS A NEW EMPLOYEE WHO IS EMPLOYED FOR  
11    SEVENTEEN AND ONE-HALF HOURS OR MORE PER WEEK AND REMAINS IN THE EMPLOY  
12    OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE.  
13    (B) AMOUNT OF CREDIT. A CREDIT AUTHORIZED BY THIS SECTION SHALL EQUAL  
14    THREE THOUSAND DOLLARS PER HIRED VETERAN AND FOUR THOUSAND DOLLARS PER  
15    HIRED DISABLED VETERAN BUT SHALL NOT EXCEED FIFTEEN THOUSAND DOLLARS  
16    ANNUALLY.  
17    (C) CARRYOVERS. THE CREDIT ALLOWED UNDER THIS SUBDIVISION MAY BE  
18    CLAIMED AND IF NOT FULLY USED IN THE INITIAL YEAR FOR WHICH THE CREDIT  
19    IS CLAIMED MAY BE CARRIED OVER, IN ORDER, TO EACH OF THE TEN SUCCEEDING  
20    TAXABLE YEARS. THE CREDIT AUTHORIZED BY THIS SUBDIVISION MAY NOT BE USED  
21    TO REDUCE THE TAX LIABILITY OF THE CREDIT CLAIMANT BELOW ZERO.  
22    (D) DEFINITIONS. AS USED IN THIS SUBDIVISION, THE FOLLOWING TERMS  
23    SHALL HAVE THE FOLLOWING MEANINGS:  
24    (I) "NEW EMPLOYEE" SHALL MEAN ANY FULL TIME EMPLOYEE THAT CAUSES THE  
25    TOTAL NUMBER OF EMPLOYEES TO INCREASE ABOVE BASE EMPLOYMENT OR CREDIT  
26    EMPLOYMENT, WHICHEVER IS HIGHER.  
27    (II) "BASE YEAR" SHALL MEAN CALENDAR YEAR TWO THOUSAND FIFTEEN.

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

LBD13399-01-5

(III) "BASE EMPLOYMENT" SHALL MEAN THE AVERAGE NUMBER OF FULL TIME EMPLOYEES OR FULL TIME EQUIVALENT EMPLOYEES DURING THE BASE YEAR. FOR A NEW BUSINESS, BASE EMPLOYMENT SHALL BEGIN AT ZERO.

(IV) "CREDIT EMPLOYMENT" SHALL MEAN BASE EMPLOYMENT PLUS THE NUMBER OF NEW EMPLOYEES FOR WHICH A CREDIT IS EARNED FOR THE PRIOR TAX YEARS.

(V) "VETERAN" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW.

(VI) "DISABLED VETERAN" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW.

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

(XLIII) RETURNING VETERANS TAX	COSTS UNDER SUBDIVISION
CREDIT; SUBSECTION (CCC)	FIFTY-ONE OF SECTION
	TWO HUNDRED TEN-B

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

(CCC) RETURNING VETERANS 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 DISABLED VETERAN HIRED DURING A TAXABLE YEAR, PROVIDED THAT:

(I) SUCH VETERAN IS A NEW EMPLOYEE AND IS EMPLOYED FOR THIRTY-FIVE HOURS OR MORE PER WEEK AND REMAINS IN THE EMPLOY OF SUCH TAXPAYER FOR TWELVE MONTHS OR MORE; OR

(II) SUCH DISABLED VETERAN IS A NEW EMPLOYEE AND IS EMPLOYED FOR SEVENTEEN AND ONE-HALF 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 THREE THOUSAND DOLLARS PER HIRED VETERAN AND FOUR THOUSAND DOLLARS PER HIRED DISABLED VETERAN BUT SHALL NOT EXCEED FIFTEEN THOUSAND DOLLARS ANNUALLY.

(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 TEN 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:

(I) "NEW EMPLOYEE" SHALL MEAN ANY FULL TIME EMPLOYEE THAT CAUSES THE TOTAL NUMBER OF EMPLOYEES TO INCREASE ABOVE BASE EMPLOYMENT OR CREDIT EMPLOYMENT, WHICHEVER IS HIGHER.

(II) "BASE YEAR" SHALL MEAN CALENDAR YEAR TWO THOUSAND FIFTEEN.

(III) "BASE EMPLOYMENT" SHALL MEAN THE AVERAGE NUMBER OF FULL TIME EMPLOYEES OR FULL TIME EQUIVALENT EMPLOYEES DURING THE BASE YEAR. FOR A NEW BUSINESS, BASE EMPLOYMENT SHALL BEGIN AT ZERO.

(IV) "CREDIT EMPLOYMENT" SHALL MEAN BASE EMPLOYMENT PLUS THE NUMBER OF NEW EMPLOYEES FOR WHICH A CREDIT IS EARNED FOR THE PRIOR TAX YEARS.

(V) "VETERAN" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW.

(VI) "DISABLED VETERAN" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW.

S 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2016 and shall apply to those employees hired after this act shall take effect.