

# STATE OF NEW YORK

10581

## IN ASSEMBLY

May 7, 2018

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

AN ACT to amend the tax law, in relation to establishing a combat veteran tax credit for entrepreneurs

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 44 to read as follows:

§ 44. Combat veteran entrepreneur credit. (a) Allowance of credit. A combat veteran entrepreneur, which is subject to tax under article nine-A or twenty-two of this chapter and creates a new business, shall be allowed a credit against such tax. The credit shall not be more than five hundred dollars.

(b) Definitions. As used in this section, the following terms shall have the following meanings:

(1) "Combat veteran" shall mean any individual who is a resident of this state who has served in the armed forces of the United States in hostilities that occurred after December sixth, nineteen hundred forty-five, as evidenced by their receipt of an Armed Forces Expeditionary Medal, Navy Expeditionary Medal, or Marine Corps Expeditionary Medal and who was discharged under honorable conditions, including but not limited to honorable discharge, discharge under honorable conditions, or general discharge.

(2) "Entrepreneur" shall mean any person who organizes and operates a business or businesses.

(c) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9-A: section 210-B, subdivision 28.

(2) article 22: section 606, subsection (a-3).

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 28 to read as follows:

28. Combat veteran entrepreneur credit. (a) Allowance of credit. A combat veteran entrepreneur will be allowed a credit, to be computed as

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

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1 provided in section forty-four of this chapter, against the tax imposed  
2 by this article.

3 (b) Application of credit. The credit allowed under this subdivision  
4 for any taxable year may not reduce the tax due for such year to less  
5 than the higher of the amounts prescribed in paragraph (d) of subdivi-  
6 sion one of section two hundred ten of this article. However, if the  
7 amount of credit allowed under this subdivision for any taxable year  
8 reduces the tax to such amount, any amount of credit thus not deductible  
9 in such taxable year will be treated as an overpayment of tax to be  
10 credited or refunded in accordance with the provisions of section one  
11 thousand eighty-six of this chapter. Provided, however, the provisions  
12 of subsection (c) of section one thousand eighty-eight of this chapter  
13 notwithstanding, no interest will be paid thereon.

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

16 (a-3) Combat veteran entrepreneur credit. (1) A combat veteran entre-  
17 preneur will be allowed a credit, to the extent allowed under section  
18 forty-four of this chapter, against the tax imposed by this article.

19 (2) Application of credit. If the amount of the credit allowed under  
20 this subsection for any taxable year exceeds the taxpayer's tax for such  
21 year, the excess will be treated as an overpayment of tax to be credited  
22 or refunded in accordance with the provisions of section six hundred  
23 eighty-six of this article, provided, however, that no interest will be  
24 paid thereon.

25 § 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
26 of the tax law is amended by adding a new clause (xliv) to read as  
27 follows:

28 <u>(xliv) Combat veteran entrepreneur</u>	<u>Amount of credit under</u>
29 <u>credit under subsection (a-3)</u>	<u>subdivision twenty-eight of</u>
	<u>section two hundred ten-B</u>

30  
31 § 5. This act shall take effect immediately.