STATE OF NEW YORK

6133--A

2017-2018 Regular Sessions

IN ASSEMBLY

February 23, 2017

Introduced by M. of A. CRESPO -- Multi-Sponsored by -- M. of A. ARROYO, AUBRY, CROUCH, DiPIETRO, JAFFEE, PERRY, SANTABARBARA, SKARTADOS, STECK, WALTER -- read once and referred to the Committee on Labor -- recommitted to the Committee on Labor in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to a jobs development incentive income tax credit available to employers who employ individuals previously receiving unemployment benefits

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 210-B of the tax law is amended by adding a new subdivision 53 to read as follows:

53. Jobs development incentive tax credit. (a) A taxpayer shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article in the amount prescribed by this subdivision where such taxpayer employs one or more creditable employee.

(b) The amount of the credit shall be two thousand four hundred dollars for each creditable employee.

(c) For the purposes of this subdivision, "creditable employee" shall mean a new employee of an employer who:

(i) is employed by the employer for the first time on or after the effective date of this subdivision;

(ii) has filed a claim for unemployment compensation in this state;

(iii) has received unemployment benefits in this state for at least two months;

(iv) is currently receiving unemployment compensation benefits as of the date of employment; and

(v) such benefits are chargeable to the experience rating account of an employer under this article; or

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

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(vi) has successfully completed a training program pursuant to section five hundred ninety-nine of the labor law; and

(vii) performs services in accordance with subdivision one, two or four of section five hundred eleven of the labor law;

(viii) remains employed by the employer for at least twenty-four consecutive months; and

(ix) during the entire period such employment shall consist of at least thirty hours per week.

(d) For the purposes of this section 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 seventeen.

(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.

(e) An employer who has one or more creditable employees shall be eligible to apply for and receive the credit established in this subdivision. Eligibility for the credit shall be established as of the time the creditable employee completes twenty-four consecutive months of employment, and the credit shall be claimed for the taxable year in which the twenty-fourth month of such employment is completed.

(f) In no event shall the total amount of any tax credit under this subdivision for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

(g) The credit shall be claimed and granted in such manner as shall be specified by rules adopted by the commissioner.

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

(ccc) Jobs development incentive tax credit. (1) A taxpayer shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article in the amount prescribed by this subsection where such taxpayer employs one or more creditable employee.

(2) The amount of the credit shall be two thousand four hundred dollars for each creditable employee.

(3) For the purposes of this subsection, "creditable employee" shall mean a new employee of an employer who:

(A) is employed by the employer for the first time on or after the effective date of this subsection;

(B) has filed a claim for unemployment compensation in this state;

(C) has received unemployment benefits in this state for at least two months;

(D) is currently receiving unemployment compensation benefits as of the date of employment; and

(E) such benefits are chargeable to the experience rating account of an employer under this article; or

(F) has successfully completed a training program pursuant to section five hundred ninety-nine of the labor law; and

(G) performs services in accordance with subdivision one, two or four of section five hundred eleven of the labor law;

(H) remains employed by the employer for at least twenty-four consecutive months; and

(I) during the entire period such employment shall consist of at least thirty hours per week.

(4) For the purposes of this subsection the following terms shall have the following meanings:

(A) "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.

(B) "base year" shall mean calendar year two thousand seventeen.

(C) "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.

(D) "credit employment" shall mean base employment plus the number of new employees for which a credit is earned.

(5) An employer who has one or more creditable employees shall be eligible to apply for and receive the credit established in this subsection. Eligibility for the credit shall be established as of the time the creditable employee completes twenty-four consecutive months of employment, and the credit shall be claimed for the taxable year in which the twenty-fourth month of such employment is completed.

(6) In no event shall the total amount of any tax credit under this subsection for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

(7) The credit shall be claimed and granted in such manner as shall be specified by rules adopted by the commissioner.

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

(xliv) Jobs development incentive tax credit under subsection (ccc)	Amount of credit under subdivision fifty-three of section two hundred ten-B of this chapter

§ 4. This act shall take effect immediately.