

STATE OF NEW YORK

1051

2017-2018 Regular Sessions

IN SENATE

January 6, 2017

Introduced by Sen. AKSHAR -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to the credit for certain household and dependent care services necessary for gainful employment known as the child and dependent care credit

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

1 Section 1. Paragraph 1 of subsection (c) of section 606 of the tax
2 law, as amended by section 1 of part M of chapter 63 of the laws of
3 2000, is amended to read as follows:

4 (1) A taxpayer shall be allowed a credit as provided herein equal to
5 the applicable percentage of the credit allowable under section twenty-
6 one of the internal revenue code for the same taxable year (without
7 regard to whether the taxpayer in fact claimed the credit under such
8 section twenty-one for such taxable year). The applicable percentage
9 shall be the sum of (i) twenty percent and (ii) a multiplier multiplied
10 by a fraction. For taxable years beginning in nineteen hundred ninety-
11 six and nineteen hundred ninety-seven, the numerator of such fraction
12 shall be the lesser of (i) four thousand dollars or (ii) fourteen thou-
13 sand dollars less the New York adjusted gross income for the taxable
14 year, provided, however, the numerator shall not be less than zero. For
15 the taxable year beginning in nineteen hundred ninety-eight, the numera-
16 tor of such fraction shall be the lesser of (i) thirteen thousand
17 dollars or (ii) thirty thousand dollars less the New York adjusted gross
18 income for the taxable year, provided, however, the numerator shall not
19 be less than zero. For taxable years beginning in nineteen hundred nine-
20 ty-nine, the numerator of such fraction shall be the lesser of (i)
21 fifteen thousand dollars or (ii) fifty thousand dollars less the New
22 York adjusted gross income for the taxable year, provided, however, the
23 numerator shall not be less than zero. For taxable years beginning after

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

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1 nineteen hundred ninety-nine, the numerator of such fraction shall be
2 the lesser of (i) fifteen thousand dollars or (ii) sixty-five thousand
3 dollars less the New York adjusted gross income for the taxable year,
4 provided, however, the numerator shall not be less than zero. The denom-
5 inator of such fraction shall be four thousand dollars for taxable years
6 beginning in nineteen hundred ninety-six and nineteen hundred ninety-
7 seven, thirteen thousand dollars for the taxable year beginning in nine-
8 teen hundred ninety-eight, and fifteen thousand dollars for taxable
9 years beginning after nineteen hundred ninety-eight. The multiplier
10 shall be ten percent for taxable years beginning in nineteen hundred
11 ninety-six, forty percent for taxable years beginning in nineteen
12 hundred ninety-seven, and eighty percent for taxable years beginning
13 after nineteen hundred ninety-seven. Provided, however, for taxable
14 years beginning after nineteen hundred ninety-nine, for a person whose
15 New York adjusted gross income is less than forty thousand dollars, such
16 applicable percentage shall be equal to (i) one hundred percent, plus
17 (ii) ten percent multiplied by a fraction whose numerator shall be the
18 lesser of (i) fifteen thousand dollars or (ii) forty thousand dollars
19 less the New York adjusted gross income for the taxable year, provided
20 such numerator shall not be less than zero, and whose denominator shall
21 be fifteen thousand dollars. Provided, however, for taxable years
22 beginning on or after January first, two thousand seventeen, the appli-
23 cable percentage shall be one hundred ten percent for all incomes up to
24 sixty-five thousand dollars, fifty percent for all incomes between
25 sixty-five thousand dollars and two hundred thousand dollars, and twenty
26 percent for all incomes above two hundred thousand dollars. Provided,
27 further, that if the reversion event, as defined in this paragraph,
28 occurs, the applicable percentage shall, for taxable years ending on or
29 after the date on which the reversion event occurred, be determined
30 using the rules specified in this paragraph applicable to taxable years
31 beginning in nineteen hundred ninety-nine. The reversion event shall be
32 deemed to have occurred on the date on which federal action, including
33 but not limited to, administrative, statutory or regulatory changes,
34 materially reduces or eliminates New York state's allocation of the
35 federal temporary assistance for needy families block grant, or mate-
36 rially reduces the ability of the state to spend federal temporary
37 assistance for needy families block grant funds for the credit for
38 certain household and dependent care services necessary for gainful
39 employment or to apply state general fund spending on the credit for
40 certain household and dependent care services necessary for gainful
41 employment toward the temporary assistance for needy families block
42 grant maintenance of effort requirement, and the commissioner of the
43 office of temporary and disability assistance shall certify the date of
44 such event to the commissioner, the director of the division of the
45 budget, the speaker of the assembly and the temporary president of the
46 senate.

47 § 2. This act shall take effect immediately and shall apply to taxable
48 years beginning on or after January 1, 2017.