

# STATE OF NEW YORK

3688--A

2017-2018 Regular Sessions

## IN SENATE

January 25, 2017

Introduced by Sens. ADDABBO, COMRIE, DILAN, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- recommitted to the Committee on Investigations and Government Operations in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to establishing a small business tax credit for the employment of disabled persons; and providing for the repeal of such provisions upon expiration thereof

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 53 to read as follows:

3 53. Small business tax credit; disabled persons. (a) General. A  
4 taxpayer who has one hundred employees or less, shall be allowed a cred-  
5 it, to be computed as provided in this subdivision, against the tax  
6 imposed by this article for each disabled person hired during a taxable  
7 year, provided that such disabled person 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.

10 (b) Amount of credit. A credit authorized by this section shall equal  
11 five thousand dollars per hired disabled person but shall not exceed  
12 twenty-five thousand dollars.

13 (c) Carryovers. The credit allowed under this subdivision may be  
14 claimed and if not fully used in the initial year for which the credit  
15 is claimed may be carried over, in order, to each of the five succeeding  
16 taxable years. The credit authorized by this subdivision may not be used  
17 to reduce the tax liability of the credit claimant below zero.

18 (d) Definitions. As used in this subdivision, the term "disabled  
19 person" shall mean a person who suffers from any physical, mental or  
20 medical impairment resulting from anatomical, physiological, genetic or  
21 neurological conditions which prevents the exercise of a normal bodily  
22 function or is demonstrable by medically accepted clinical or laboratory  
23 diagnostic techniques.

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

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1 (e) Aggregate amount. The aggregate amount of tax credits allowed  
2 pursuant to the authority of this subdivision and subsection (jjj) of  
3 section six hundred six of this chapter shall be five million dollars  
4 each year. Such aggregate amounts of credits shall be allocated by the  
5 commissioner. If the total amount of allocated credits applied for in  
6 any particular year exceeds the aggregate amount of tax credits allowed  
7 for such year under this section, such excess shall be treated as having  
8 been applied for on the first day of the subsequent year.

9 (f) Claim of credit. A taxpayer shall not be allowed to claim this  
10 credit to the extent the basis of the calculation of this credit has  
11 been claimed for another tax credit under this chapter.

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

15 <u>(xliv) Small business tax credit;</u>	<u>Amount of credit under</u>
16 <u>disabled persons under</u>	<u>subdivision fifty-three</u>
17 <u>subsection (jjj)</u>	<u>of section two hundred</u>
18	<u>ten-B</u>

19 § 3. Section 606 of the tax law is amended by adding a new subsection  
20 (jjj) to read as follows:

21 (jjj) Small business tax credit; disabled persons. (1) General. A  
22 taxpayer who has one hundred employees or less, shall be allowed a cred-  
23 it, to be computed as provided in this subsection, against the tax  
24 imposed by this article for each disabled person hired during a taxable  
25 year, provided that such disabled person is employed for thirty-five  
26 hours or more per week and remains in the employ of such taxpayer for  
27 twelve months or more.

28 (2) Amount of credit. A credit authorized by this section shall equal  
29 five thousand dollars per hired disabled person but shall not exceed  
30 twenty-five thousand dollars.

31 (3) Carryovers. The credit allowed under this subsection may be  
32 claimed and if not fully used in the initial year for which the credit  
33 is claimed may be carried over, in order, to each of the five succeeding  
34 taxable years. The credit authorized by this subsection may not be used  
35 to reduce the tax liability of the credit claimant below zero.

36 (4) Definitions. As used in this subsection, the term "disabled  
37 person" shall mean a person who suffers from any physical, mental or  
38 medical impairment resulting from anatomical, physiological, genetic or  
39 neurological conditions which prevents the exercise of a normal bodily  
40 function or is demonstrable by medically accepted clinical or laboratory  
41 diagnostic techniques.

42 (5) Aggregate amount. The aggregate amount of tax credits allowed  
43 pursuant to the authority of this subsection and subdivision fifty-three  
44 of section two hundred ten-B of this chapter shall be five million  
45 dollars each year. Such aggregate amounts of credits shall be allocated  
46 by the commissioner. If the total amount of allocated credits applied  
47 for in any particular year exceeds the aggregate amount of tax credits  
48 allowed for such year under this section, such excess shall be treated  
49 as having been applied for on the first day of the subsequent year.

50 (6) Claim of credit. A taxpayer shall not be allowed to claim this  
51 credit to the extent the basis of the calculation of this credit has  
52 been claimed for another tax credit under this chapter.

53 § 4. This act shall take effect immediately and shall apply to taxable  
54 years beginning on or after January 1, 2019 and shall expire and be  
55 deemed repealed December 31, 2024.