

# STATE OF NEW YORK

10530

## IN ASSEMBLY

May 4, 2018

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

AN ACT to amend the tax law, in relation to providing a re-entry employ-  
ment incentive tax credit

The People of the State of New York, represented in Senate and Assem-  
bly, 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. Re-entry employment incentive tax credit. (a) A taxpayer shall be  
4 allowed a credit, to be computed as hereinafter provided, against the  
5 tax imposed by this article in the amount prescribed by this subdivision  
6 where such taxpayer employs one or more qualifying individuals desig-  
7 nated pursuant to paragraph (c) of this subdivision.

8 (b) The amount of the credit shall be as follows for each qualifying  
9 individual employed by the taxpayer:

10 (i) fifty percent of the qualified wages in the first year of employ-  
11 ment;

12 (ii) forty percent of qualified wages in the second year of employ-  
13 ment; and

14 (iii) thirty percent of qualified wages in the third year of employ-  
15 ment.

16 (c) For the purposes of this subdivision, "qualifying individual"  
17 shall mean an individual hired by a taxpayer on or after January first,  
18 two thousand eighteen who:

19 (i) has been convicted of a felony in this state in the last five  
20 years, has been released from a correctional facility as defined in  
21 subdivision four of section two of the correction law in the last five  
22 years or is serving a period of post-release supervision, parole or  
23 probation for the conviction of a felony, provided that an individual  
24 shall be considered a qualified individual for each of the first four  
25 years of employment if hired by the taxpayer within the time period  
26 specified in this subparagraph;

27 (ii) resides in this state; and

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

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1 (iii) receives qualified wages for at least three continuous months  
2 from the taxpayer during the taxable year.

3 (d) For the purposes of this subdivision, "qualified wages" shall mean  
4 wages paid or incurred by the taxpayer during the taxable year to the  
5 qualified individual, provided that the amount of qualified wages which  
6 may be taken into account when calculating the credit pursuant to this  
7 subdivision shall not exceed fifteen thousand dollars per year.

8 (e) Notwithstanding any provision of law to the contrary, the credit  
9 and carryover of such credit allowed under this subdivision for any  
10 taxable years shall not, in the aggregate, reduce the tax due for such  
11 year to less than the higher of the amounts prescribed in paragraphs (c)  
12 and (d) of subdivision one of this section, any amount of credit or  
13 carryover of such credit thus not deductible in such taxable year may be  
14 carried over to the following year or years and may be deducted from the  
15 tax for such year or years. In addition, the amount of such credit, and  
16 carryovers of such credit to the taxable year, deducted from the tax  
17 otherwise due may not, in the aggregate, exceed fifty percent of the tax  
18 imposed under section two hundred nine of this article computed without  
19 regard to any credit provided by this section.

20 § 2. Section 606 of the tax law is amended by adding a new subsection  
21 (k-1) to read as follows:

22 (k-1) Re-entry employment incentive tax credit. (1) A taxpayer shall  
23 be allowed a credit, to be computed as hereinafter provided, against the  
24 tax imposed by this article in the amount prescribed by this subsection  
25 where such taxpayer employs one or more qualifying individuals desig-  
26 nated pursuant to paragraph three of this subsection.

27 (2) The amount of the credit shall be as follows for each qualifying  
28 individual employed by the taxpayer:

29 (i) Fifty percent of the qualified wages in the first year of employ-  
30 ment;

31 (ii) Forty percent of qualified wages in the second year of employ-  
32 ment; and

33 (iii) Thirty percent of qualified wages in the third year of employ-  
34 ment.

35 (3) For the purposes of this subsection, "qualifying individual" shall  
36 mean an individual hired by a taxpayer on or after January first, two  
37 thousand eighteen who:

38 (i) has been convicted of a felony in this state in the last five  
39 years, has been released from a correctional facility as defined in  
40 subdivision four of section two of the correction law in the last five  
41 years or is serving a period of post-release supervision, parole or  
42 probation for the conviction of a felony, provided that an individual  
43 shall be considered a qualified individual for each of the first four  
44 years of employment if hired by the taxpayer within the time period  
45 specified in this subparagraph;

46 (ii) resides in this state; and

47 (iii) receives qualified wages for at least three continuous months  
48 from the taxpayer during the taxable year.

49 (4) For the purposes of this subsection, "qualified wages" shall mean  
50 wages paid or incurred by the taxpayer during the taxable year to the  
51 qualified individual, provided that the amount of qualified wages which  
52 may be taken into account when calculating the credit pursuant to this  
53 subsection shall not exceed fifteen thousand dollars per year.

54 (5) Notwithstanding any provision of law to the contrary, if the  
55 amount of the credit and carryovers of such credit allowed under this  
56 subsection for any taxable year shall exceed the taxpayer's tax for such

1 year, any amount of credit or carryovers of such credit thus not deduct-  
2 ible in such taxable year may be carried over to the following year or  
3 years and may be deducted from the tax for such year or years. In addi-  
4 tion, the amount of such credit, and carryovers of such credit to the  
5 taxable year, deducted from the tax otherwise due may not, in the aggre-  
6 gate, exceed fifty percent of the tax imposed under section six hundred  
7 one of this part computed without regard to any credit provided for by  
8 this section.

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

12 <u>(xliv) Re-entry employment</u>	<u>Amount of credit</u>
13 <u>incentive tax credit under</u>	<u>under subdivision</u>
14 <u>subsection (k-1)</u>	<u>fifty-three of section</u>
15	<u>two hundred ten-B</u>

16 § 4. This act shall take effect on the sixtieth day after it shall  
17 have become a law.