

STATE OF NEW YORK

1369

2017-2018 Regular Sessions

IN ASSEMBLY

January 11, 2017

Introduced by M. of A. CUSICK, SIMANOWITZ, LUPARDO, McDONALD, FINCH, CROUCH, BLANKENBUSH, COLTON, SEPULVEDA, MALLIOTAKIS, WEPRIN, HARRIS -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a small business tax credit for the employment of disabled persons

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 49 to read as follows:

3 49. 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 (ccc) 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 (xliiii) to read as
14 follows:

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|---|-------------------------------|
| 15 <u>(xliiii) Small business tax credit;</u> | <u>Amount of credit under</u> |
| 16 <u>disabled persons under</u> | <u>subdivision forty-nine</u> |
| 17 <u>subsection (ccc)</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 (ccc) to read as follows:

21 (ccc) 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 forty-nine
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, 2018.