

STATE OF NEW YORK

4643

2017-2018 Regular Sessions

IN SENATE

February 23, 2017

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Veterans, Homeland Security and Military Affairs

AN ACT to amend the tax law, in relation to establishing a returning veterans tax credit for businesses that hire veterans

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 52 to read as follows:

3 52. Returning veterans tax credit. (a) General. A taxpayer shall be
4 allowed a credit, to be computed as provided in this subdivision,
5 against the tax imposed by this article for each veteran or disabled
6 veteran hired during a taxable year, provided that:

7 (i) such veteran is a new employee and 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; or

10 (ii) such disabled veteran is a new employee who is employed for
11 seventeen and one-half hours or more per week and remains in the employ
12 of such taxpayer for twelve months or more.

13 (b) Amount of credit. A credit authorized by this section shall equal
14 three thousand dollars per hired veteran and four thousand dollars per
15 hired disabled veteran but shall not exceed fifteen thousand dollars
16 annually.

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

22 (d) Definitions. As used in this subdivision, the following terms
23 shall have the following meanings:

24 (i) "New employee" shall mean any full time employee that causes the
25 total number of employees to increase above base employment or credit
26 employment, whichever is higher.

27 (ii) "Base year" shall mean calendar year two thousand seventeen.

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

LBD02009-01-7

1 (iii) "Base employment" shall mean the average number of full time
2 employees or full time equivalent employees during the base year. For a
3 new business, base employment shall begin at zero.

4 (iv) "Credit employment" shall mean base employment plus the number of
5 new employees for which a credit is earned for the prior tax years.

6 (v) "Veteran" shall have the same meaning as set forth in section
7 eighty-five of the civil service law.

8 (vi) "Disabled veteran" shall have the same meaning as set forth in
9 section eighty-five of the civil service law.

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

13 <u>(xlirii) Returning veterans tax</u>	<u>Costs under subdivision</u>
14 <u>credit; subsection (ccc)</u>	<u>fifty-two of section</u>
15	<u>two hundred ten-B</u>

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

18 (ccc) Returning veterans tax credit. (1) General. A taxpayer shall be
19 allowed a credit, to be computed as provided in this subsection, against
20 the tax imposed by this article for each veteran or disabled veteran
21 hired during a taxable year, provided that:

22 (i) such veteran is a new employee and is employed for thirty-five
23 hours or more per week and remains in the employ of such taxpayer for
24 twelve months or more; or

25 (ii) such disabled veteran is a new employee and is employed for
26 seventeen and one-half hours or more per week and remains in the employ
27 of such taxpayer for twelve months or more.

28 (2) Amount of credit. A credit authorized by this section shall equal
29 three thousand dollars per hired veteran and four thousand dollars per
30 hired disabled veteran but shall not exceed fifteen thousand dollars
31 annually.

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

37 (4) Definitions. As used in this subsection, the following terms shall
38 have the following meanings:

39 (i) "New employee" shall mean any full time employee that causes the
40 total number of employees to increase above base employment or credit
41 employment, whichever is higher.

42 (ii) "Base year" shall mean calendar year two thousand seventeen.

43 (iii) "Base employment" shall mean the average number of full time
44 employees or full time equivalent employees during the base year. For a
45 new business, base employment shall begin at zero.

46 (iv) "Credit employment" shall mean base employment plus the number of
47 new employees for which a credit is earned for the prior tax years.

48 (v) "Veteran" shall have the same meaning as set forth in section
49 eighty-five of the civil service law.

50 (vi) "Disabled veteran" shall have the same meaning as set forth in
51 section eighty-five of the civil service law.

52 § 4. This act shall take effect immediately and shall apply to taxable
53 years beginning on or after January 1, 2018 and shall apply to those
54 employees hired after this act shall take effect.