STATE OF NEW YORK

11111

IN ASSEMBLY

November 6, 2020

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Reilly) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a tax credit for taxpayers who received unemployment insurance benefits during the COVID-19 pandemic

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (kkk) to read as follows:

(kkk) COVID-19 unemployment benefits credit. (1) General. A qualifying individual taxpayer shall be allowed a credit for taxable years beginning on or after January first, two thousand twenty against the tax imposed by this article to offset taxes paid on the receipt of unemployment insurance benefits during the COVID-19 covered period. The amount of such credit shall be five hundred dollars.

(2) Definitions. For the purposes of this subsection:

(A) The term "qualifying individual taxpayer" shall mean an individual taxpayer who received unemployment insurance benefits pursuant to article eighteen of the labor law during the COVID-19 covered period.

(B) The term "COVID-19 covered period" shall mean March twentieth, two thousand twenty until the date on which none of the provisions that closed or otherwise restricted public or private businesses or places of public accommodation, or required postponement or cancellation of all non-essential gatherings of individuals of any size for any reason in executive order 202.3, 202.4, 202.5, 202.6, 202.7, 202.8, 202.10, 202.11, 202.13 or 202.14, as extended by executive orders 202.28 and 202.31 and as further extended by any future executive order, issued in response to the COVID-19 pandemic continue to apply.

(3) Application of credit. If the amount of the credit allowed under this subsection for any taxable year exceeds the taxpayer's tax for such year, the excess will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest will be paid thereon.

§ 2. This act shall take effect immediately.

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

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