

# STATE OF NEW YORK

10084

## IN ASSEMBLY

March 10, 2020

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 a tax credit for employment of an individual who has successfully completed a judicial diversion program or graduated from a drug court

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 55 to read as follows:

3 55. Credit for employment of individuals who have graduated from drug  
4 court or have successfully completed a judicial diversion program. (a)  
5 Allowance of credit. A taxpayer shall be allowed a credit, to be  
6 computed as provided in this subdivision, against the tax imposed by  
7 this article, if it employs an individual who has graduated from drug  
8 court or has successfully completed a judicial diversion program pursu-  
9 ant to article two hundred sixteen of the criminal procedure law,  
10 provided that such individual is employed for thirty-five hours or more  
11 per week and remains in the employ of such taxpayer for a minimum of  
12 twelve months.

13 (b) Amount of credit. A credit authorized by this section shall equal  
14 three thousand dollars per hired individual for the first year of  
15 employment and an additional one thousand dollars if the individual  
16 remains in employ for an additional twelve months.

17 (c) Application of credit. The credit allowed under this subdivision  
18 for any taxable year shall not reduce the tax due for such year to less  
19 than the amount prescribed in paragraph (d) of subdivision one of this  
20 section. If, however, the amount of credits allowed under this subdivi-  
21 sion for any taxable year reduces the tax to such amount, any amount of  
22 credit thus not deductible in such taxable year shall be treated as an  
23 overpayment of tax to be credited or refunded in accordance with the  
24 provisions of section one thousand eighty-six of this chapter. Provided,  
25 however, the provisions of subsection (c) of section one thousand eight-  
26 y-eight of this chapter notwithstanding, no interest shall be paid ther-  
27 eon.

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

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1 (d) Credit recapture. For provisions requiring recapture of credit,  
2 see section forty-four of this chapter.

3 § 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
4 of the tax law is amended by adding a new clause (xlvi) to read as  
5 follows:

6	<u>(xlvi) Employment of individuals</u>	<u>Amount of credit</u>
7	<u>who have graduated from</u>	<u>under subdivision</u>
8	<u>drug court or have</u>	<u>fifty-five of section</u>
9	<u>successfully completed</u>	<u>two hundred ten-B</u>
10	<u>a judicial diversion program</u>	
11	<u>tax credit under</u>	
12	<u>subsection (kkk)</u>	

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

15 (kkk) Tax credit for employment of individuals who have graduated from  
16 drug court or have successfully completed a judicial diversion program.

17 (1) Allowance of credit. A taxpayer shall be allowed a credit, to be  
18 computed as provided in this subsection, against the tax imposed by this  
19 article, if it employs an individual who has graduated from drug court  
20 or who has successfully completed a judicial diversion program pursuant  
21 to article two hundred sixteen of the criminal procedure law, provided  
22 that such individual is employed for thirty-five hours or more per week  
23 and remains in the employ of such taxpayer for twelve months.

24 (2) Amount of credit. A credit authorized by this section shall equal  
25 three thousand dollars per hired individual for the first year of  
26 employment and an additional one thousand dollars if the individual  
27 remains in employ for an additional twelve months.

28 (3) Application of credit. The credit allowed under this subsection  
29 for any taxable year shall not reduce the tax due for such year to less  
30 than the higher of the amount prescribed in paragraphs (c) and (d) of  
31 subdivision one of section two hundred ten-B of this chapter. If,  
32 however, the amount of credits allowed under this subsection for any  
33 taxable year reduces the tax to such amount, any amount of credit thus  
34 not deductible in such taxable year shall be treated as an overpayment  
35 of tax to be credited or refunded in accordance with the provisions of  
36 section one thousand eighty-six of this chapter. Provided, however, the  
37 provisions of subsection (c) of section one thousand eighty-eight of  
38 this chapter notwithstanding, no interest shall be paid thereon.

39 (4) Credit recapture. For provisions requiring recapture of credit,  
40 see section forty-four of this chapter.

41 § 4. Section 1511 of the tax law is amended by adding a new subsection  
42 (ee) to read as follows:

43 (ee) Credit for employment of individuals who have graduated from drug  
44 court or have successfully completed a judicial diversion program. (1)  
45 Allowance of credit. A taxpayer shall be allowed a credit, to be  
46 computed as provided in this subsection, against the tax imposed by this  
47 article, if it employs an individual who has graduated from drug court  
48 or has successfully completed a judicial diversion program pursuant to  
49 article two hundred sixteen of the criminal procedure law, provided that  
50 such individual is employed for thirty-five hours or more per week and  
51 remains in the employ of such taxpayer for a minimum of twelve months.

52 (2) Amount of credit. A credit authorized by this section shall equal  
53 three thousand dollars per hired individual for the first year of  
54 employment and an additional one thousand dollars if the individual  
55 remains in employ for an additional twelve months.

1 (3) Application of credit. The credit allowed under this subsection  
2 shall not reduce the tax due for such year to be less than the minimum  
3 fixed by paragraph four of subdivision (a) of section fifteen hundred  
4 two or section fifteen hundred two-a of this article, whichever is  
5 applicable. However, if the amount of the credit allowed under this  
6 subsection for any taxable year reduces the taxpayer's tax of such  
7 amount, any amount of credit thus not deductible will be treated as an  
8 overpayment of tax to be credited or refunded in accordance with the  
9 provisions of section one thousand eighty-six of this chapter. Provided,  
10 however, the provisions of subsection (c) of one thousand eighty-eight  
11 of this chapter notwithstanding, no interest shall be paid thereon.

12 (4) Credit recapture. For provisions requiring recapture of credit,  
13 see section forty-four of this chapter.

14 § 5. This act shall take effect on the first of January next succeed-  
15 ing the date on which it shall have become a law, and shall apply to  
16 taxable years beginning on or after such date and to employees hired on  
17 or after such date.