

# STATE OF NEW YORK

4855

2019-2020 Regular Sessions

## IN ASSEMBLY

February 5, 2019

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

AN ACT to amend the tax law, in relation to a credit for employment of persons on probation or parole

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

1 Section 1. The tax law is amended by adding a new section 187-t to  
2 read as follows:

3 § 187-t. Credit for employment of persons on probation or parole. 1.  
4 Allowance of credit. A taxpayer shall be allowed a credit, to be  
5 computed as hereinafter provided, against the taxes imposed by this  
6 article, other than the taxes imposed by sections one hundred eighty-  
7 six-a and one hundred eighty-six-e of this article, for employing within  
8 the state a qualified employee. Provided, however, the amount of credit  
9 allowed by this section against the tax imposed by section one hundred  
10 eighty-four of this article shall be the excess of the credit computed  
11 under this section over the amount of credit allowed by this section  
12 against the tax imposed by section one hundred eighty-three of this  
13 article.

14 2. Qualified employee. A qualified employee is an individual who:

15 (a) has been convicted of a felony under any statute of the United  
16 States or any state;

17 (b) is on probation or parole; and

18 (c) has worked on a full-time basis for the employer who is claiming  
19 the credit for at least one hundred eighty days or four hundred hours.

20 3. Amount of credit. Except as provided in subdivision four of this  
21 section, the amount of credit under this section shall be thirty-five  
22 percent of the first six thousand dollars in qualified first-year wages  
23 earned by each qualified employee. "Qualified first-year wages" means  
24 wages paid or incurred by the taxpayer during the taxable year to quali-  
25 fied employees which are attributable, with respect to any such employ-

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

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1 ee, to services rendered during the one-year period beginning with the  
2 day the employee begins work for the taxpayer.

3 4. Credit where federal work opportunity tax credit applies. With  
4 respect to any qualified employee whose qualified first-year wages under  
5 subdivision three of this section also constitute qualified first-year  
6 wages for purposes of the work opportunity tax credit for vocational  
7 rehabilitation referrals under section fifty-one of the internal revenue  
8 code, the amount of credit under this section shall be thirty-five  
9 percent of the first six thousand dollars in qualified second-year wages  
10 earned by each such employee. "Qualified second-year wages" means wages  
11 paid or incurred by the taxpayer during the taxable year to qualified  
12 employees which are attributable, with respect to any such employee, to  
13 services rendered during the one-year period beginning one year after  
14 the employee begins work for the taxpayer.

15 5. Carryover. In no event shall the credit under this section be  
16 allowed in an amount which will reduce the tax payable to less than the  
17 applicable minimum tax fixed by section one hundred eighty-three of this  
18 article. If, however, the amount of credit allowable under this section  
19 for any taxable year reduces the tax to such amount, any amount of cred-  
20 it not deductible in such taxable year may be carried over to the  
21 following year or years and may be deducted from the taxpayer's tax for  
22 such year or years.

23 6. Coordination with federal work opportunity tax credit. The  
24 provisions of sections fifty-one and fifty-two of the internal revenue  
25 code, as such sections applied on October first, nineteen hundred nine-  
26 ty-six, that apply to the work opportunity tax credit for vocational  
27 rehabilitation referrals shall apply to the credit under this section to  
28 the extent that such sections are consistent with the specific  
29 provisions of this section, provided that in the event of a conflict the  
30 provisions of this section shall control.

31 § 2. This act shall take effect immediately, and shall apply to taxa-  
32 ble years beginning on and after January 1, 2019.