

STATE OF NEW YORK

5323

2019-2020 Regular Sessions

IN ASSEMBLY

February 8, 2019

Introduced by M. of A. CRESPO -- Multi-Sponsored by -- M. of A. ARROYO, DAVILA, GOODELL, PICHARDO, RAMOS, RIVERA, RODRIGUEZ -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to installment payments for the earned income credit; and to authorize and direct the commissioner of taxation and finance to conduct a feasibility and impact study on monthly payments of the earned income tax credit

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

1 Section 1. The commissioner of taxation and finance is hereby author-
2 ized and directed to study and report on the feasibility and impact of
3 using an installment payment plan for earned income credits. Such
4 commissioner shall include in the study and subsequent report a detailed
5 analysis of a plan where an earned income tax credit pursuant to
6 subsection (d) of section 606 of the tax law or an enhanced earned
7 income tax credit pursuant to subsection (d-1) of section 606 of the tax
8 law is distributed to the taxpayer as follows: (i) for amounts equal to
9 or less than two hundred dollars, the payment or refund shall be made in
10 a lump sum, (ii) for amounts in excess of two hundred dollars and less
11 than two thousand four hundred dollars, the payment or refund shall be
12 two hundred dollars a month for the number of months equal to the total
13 amount thereof divided by two hundred and rounded down to the nearest
14 whole number, and the remaining balance of such payment or refund shall
15 be made in the first month thereafter, and (iii) for amounts equal to or
16 greater than two thousand four hundred dollars, the payment or refund
17 shall be paid in equal monthly payments equal to the total amount there-
18 of divided by twelve. The commissioner of taxation and finance shall
19 prepare a report on his or her findings to be submitted to the temporary
20 president of the senate, the speaker of the assembly and the chairs of
21 the assembly ways and means committee and the senate finance committee
22 within 180 days after the effective date of this act.

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

LBD08059-01-9

1 § 2. Section 686 of the tax law is amended by adding a new subsection
2 (j) to read as follows:

3 (j) Earned income tax credit.-- An earned income tax credit pursuant
4 to subsection (d) of section six hundred six of this article or an
5 enhanced earned income tax credit pursuant to subsection (d-1) of
6 section six hundred six of this article shall be paid to the taxpayer as
7 follows: (i) for amounts equal to or less than two hundred dollars, the
8 payment or refund shall be made in a lump sum, (ii) for amounts in
9 excess of two hundred dollars and less than two thousand four hundred
10 dollars, the payment or refund shall be two hundred dollars a month for
11 the number of months equal to the total amount thereof divided by two
12 hundred and rounded down to the nearest whole number, and the remaining
13 balance of such payment or refund shall be made in the first month ther-
14 eafter, and (iii) for amounts equal to or greater than two thousand four
15 hundred dollars, the payment or refund shall be paid in equal monthly
16 payments equal to the total amount thereof divided by twelve.

17 § 3. This act shall take effect immediately; provided, however, that
18 section two of this act shall take effect one year after it shall have
19 become a law. Effective immediately, the commissioner of taxation and
20 finance is authorized to make any addition, amendment and/or repeal of
21 any rule or regulation necessary for the implementation of this act on
22 its effective date on or before such date.