

STATE OF NEW YORK

6394

2019-2020 Regular Sessions

IN ASSEMBLY

March 7, 2019

Introduced by M. of A. CRESPO -- Multi-Sponsored by -- M. of A. ARROYO, AUBRY, CROUCH, DiPIETRO, JAFFEE, PERRY, SANTABARBARA, STECK -- read once and referred to the Committee on Labor

AN ACT to amend the tax law, in relation to a jobs development incentive income tax credit available to employers who employ individuals previously receiving unemployment benefits

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 53 to read as follows:

3 53. Jobs development incentive tax credit. (a) A taxpayer shall be
4 allowed a credit, to be computed as hereinafter provided, against the
5 tax imposed by this article in the amount prescribed by this subdivision
6 where such taxpayer employs one or more creditable employee.

7 (b) The amount of the credit shall be two thousand four hundred
8 dollars for each creditable employee.

9 (c) For the purposes of this subdivision, "creditable employee" shall
10 mean a new employee of an employer who:

11 (i) is employed by the employer for the first time on or after the
12 effective date of this subdivision;

13 (ii) has filed a claim for unemployment compensation in this state;

14 (iii) has received unemployment benefits in this state for at least
15 two months;

16 (iv) is currently receiving unemployment compensation benefits as of
17 the date of employment; and

18 (v) such benefits are chargeable to the experience rating account of
19 an employer under this article; or

20 (vi) has successfully completed a training program pursuant to section
21 five hundred ninety-nine of the labor law; and

22 (vii) performs services in accordance with subdivision one, two or
23 four of section five hundred eleven of the labor law;

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

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1 (viii) remains employed by the employer for at least twenty-four
2 consecutive months; and

3 (ix) during the entire period such employment shall consist of at
4 least thirty hours per week.

5 (d) For the purposes of this section the following terms shall have
6 the following meanings:

7 (i) "new employee" shall mean any full time employee that causes the
8 total number of employees to increase above base employment or credit
9 employment, whichever is higher.

10 (ii) "base year" shall mean calendar year two thousand seventeen.

11 (iii) "base employment" shall mean the average number of full-time
12 employees or full-time equivalent employees during the base year. For a
13 new business, base employment shall begin at zero.

14 (iv) "credit employment" shall mean base employment plus the number of
15 new employees for which a credit is earned.

16 (e) An employer who has one or more creditable employees shall be
17 eligible to apply for and receive the credit established in this subdi-
18 vision. Eligibility for the credit shall be established as of the time
19 the creditable employee completes twenty-four consecutive months of
20 employment, and the credit shall be claimed for the taxable year in
21 which the twenty-fourth month of such employment is completed.

22 (f) In no event shall the total amount of any tax credit under this
23 subdivision for a taxable year exceed the taxpayer's income tax liabil-
24 ity. Any unused tax credit shall be allowed to be carried forward to
25 apply to the taxpayer's succeeding five years' tax liability. No such
26 tax credit shall be allowed the taxpayer against prior years' tax
27 liability.

28 (g) The credit shall be claimed and granted in such manner as shall be
29 specified by rules adopted by the commissioner.

30 § 2. Section 606 of the tax law is amended by adding a new subsection
31 (jjj) to read as follows:

32 (jjj) Jobs development incentive tax credit. (1) A taxpayer shall be
33 allowed a credit, to be computed as hereinafter provided, against the
34 tax imposed by this article in the amount prescribed by this subsection
35 where such taxpayer employs one or more creditable employee.

36 (2) The amount of the credit shall be two thousand four hundred
37 dollars for each creditable employee.

38 (3) For the purposes of this subsection, "creditable employee" shall
39 mean a new employee of an employer who:

40 (A) is employed by the employer for the first time on or after the
41 effective date of this subsection;

42 (B) has filed a claim for unemployment compensation in this state;

43 (C) has received unemployment benefits in this state for at least two
44 months;

45 (D) is currently receiving unemployment compensation benefits as of
46 the date of employment; and

47 (E) such benefits are chargeable to the experience rating account of
48 an employer under this article; or

49 (F) has successfully completed a training program pursuant to section
50 five hundred ninety-nine of the labor law; and

51 (G) performs services in accordance with subdivision one, two or four
52 of section five hundred eleven of the labor law;

53 (H) remains employed by the employer for at least twenty-four consec-
54 utive months; and

55 (I) during the entire period such employment shall consist of at least
56 thirty hours per week.

(4) For the purposes of this subsection the following terms shall have the following meanings:

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

(B) "base year" shall mean calendar year two thousand seventeen.

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

(D) "credit employment" shall mean base employment plus the number of new employees for which a credit is earned.

(5) An employer who has one or more creditable employees shall be eligible to apply for and receive the credit established in this subsection. Eligibility for the credit shall be established as of the time the creditable employee completes twenty-four consecutive months of employment, and the credit shall be claimed for the taxable year in which the twenty-fourth month of such employment is completed.

(6) In no event shall the total amount of any tax credit under this subsection for a taxable year exceed the taxpayer's income tax liability. Any unused tax credit shall be allowed to be carried forward to apply to the taxpayer's succeeding five years' tax liability. No such tax credit shall be allowed the taxpayer against prior years' tax liability.

(7) The credit shall be claimed and granted in such manner as shall be specified by rules adopted by the commissioner.

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

<u>(xliv) Jobs development incentive</u>	<u>Amount of credit under</u>
<u>tax credit under subsection (jjj)</u>	<u>subdivision fifty-three of section</u>
	<u>two hundred ten-B of this chapter</u>

§ 4. This act shall take effect immediately.