STATE OF NEW YORK

2712

2019-2020 Regular Sessions

IN SENATE

January 29, 2019

Introduced by Sens. KENNEDY, SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to providing a tax credit to employers who subsidize an employee's use of public transportation

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

Section 1. Section 210-B of the tax law is amended by adding a new subdivision 53 to read as follows:

53. Employer transportation credit. (a) A taxpayer shall be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this article. The amount of the credit shall be equal to either:

(i) fifteen percent of the expenses incurred during a taxable year in providing public transportation services for employees, provided that the taxpayer contribute at least fifty percent of an employee's total public transportation service cost.

(ii) twenty-five percent of the expenses incurred during a taxable year in providing public transportation services for employees, provided that the taxpayer contribute one hundred percent of an employee's total public transportation service cost.

(b) For the purposes of this subdivision, "public transportation service" shall have the same definition as in subdivision five of section seventy-three-c of the transportation law.

(c) A taxpayer may contribute to an employee's total transportation service cost in the following manners:

(i) by reimbursing an employee directly for the cost of the expenses incurred for services;

(ii) by providing passes for purchase directly to employees at a discounted rate; or

(iii) by allowing employees to incur a payroll deduction.

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

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(d) Such pass must cover a minimum of one year per employee for the taxpayer to claim a credit under this section.

(e) No such credit shall:

(i) cover public transportation service providers located outside of the state of New York; or

(ii) exceed the amount of tax otherwise due pursuant to this article for the taxable year.

(f) The aggregate amount of tax credits allowed under this subdivision in any calendar year statewide shall be fifty million dollars.

(g) The commissioner shall prioritize employers who subsidize the full cost of employee transit over the fifty percent subsidy.

§ 2. This act shall take effect immediately and shall apply to taxable years commencing on or after such effective date.