STATE OF NEW YORK

10093

IN ASSEMBLY

April 29, 2022

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

AN ACT to amend the tax law, in relation to excluding overtime wages and income from tips from being included in the New York adjusted gross income of a resident individual

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

Section 1. This act shall be known and may be cited as the "middle class tax relief act".

§ 2. Section 612 of the tax law is amended by adding two new subsections (y) and (z) to read as follows:

(y) Overtime compensation. (1) There shall be subtracted from federal adjusted gross income any applicable income from wages paid for overtime received by the taxpayer during the taxable year.

(2) For the purposes of this section, "overtime" shall have the same meaning as in section two hundred thirty-two of the labor law.

(z) Tipped wages. (1) There shall be subtracted from federal adjusted gross income any applicable income from tips received by the taxpayer during the taxable year.

(2) Applicable income from tips is income received as a gratuity for service provided by the taxpayer, including, but not limited to, food service work.

§ 3. This act shall take effect immediately.

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

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