

STATE OF NEW YORK

5300

2021-2022 Regular Sessions

IN ASSEMBLY

February 12, 2021

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

AN ACT to amend the tax law, in relation to establishing the work opportunity tax credit

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 55 to read as follows:

3 55. Work opportunity tax credit. (a) Allowance of credit. A taxpayer
4 shall be allowed a credit, against the tax imposed by this article, of
5 two thousand four hundred dollars for each long term unemployed person
6 hired during a taxable year. Such tax credit shall be applicable only to
7 businesses employing fifty or fewer employees. For the purposes of this
8 subdivision, a "long term unemployed person" shall be an individual who
9 has been a resident of New York for three years immediately preceding
10 hiring and who, prior to being hired by the business eligible for the
11 credit established pursuant to this subdivision, had been unemployed and
12 receiving public assistance for six consecutive months or more, and is
13 retained for full-time employment by such business for at least one
14 year.

15 (b) Application of credit. The credit allowed under this subdivision
16 for any taxable year shall not reduce the tax due for such year to less
17 than the fixed dollar minimum amount prescribed in paragraph (d) of
18 subdivision one of section two hundred ten of this article. However, if
19 the amount of credit allowed under this subdivision for any taxable year
20 reduces the tax to such amount or if the taxpayer otherwise pays tax
21 based on the fixed dollar minimum amount, any amount of credit thus not
22 deductible in such taxable year shall be treated as an overpayment of
23 tax to be credited or refunded in accordance with the provisions of
24 section one thousand eighty-six of this chapter. Provided, however, the
25 provisions of subsection (c) of section one thousand eighty-eight of

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

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this chapter notwithstanding, no interest shall be paid thereon. The total amount of credit to be provided statewide for this credit, the credit allowed under subsection (kkk) of section six hundred six of this chapter and subdivision (ee) of section fifteen hundred eleven of this chapter shall not exceed fifteen million dollars in the aggregate in a taxable year.

(c) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter.

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

<p>12 <u>(xlvi) Work opportunity tax credit</u></p> <p>13 <u>under subsection (kkk)</u></p> <p>14</p>	<p><u>Amount of credit under</u></p> <p><u>subdivision fifty-five of</u></p> <p><u>section two hundred ten-B</u></p>
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§ 3. Section 606 of the tax law is amended by adding a new subsection (kkk) to read as follows:

(kkk) Work opportunity tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, against the tax imposed by this article, of two thousand four hundred dollars for each long term unemployed person hired during a taxable year. Such tax credit shall be applicable only to businesses employing fifty or fewer employees. For the purposes of this subdivision, a "long term unemployed person" shall be an individual who has been a resident of New York for three years immediately preceding hiring and who, prior to being hired by the business eligible for the credit established pursuant to this subsection, had been unemployed and receiving public assistance for six consecutive months or more, and is retained for full-time employment by such business for at least one year.

(2) Application of credit. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon. The total amount of credit to be provided statewide for this credit, the credit allowed under subdivision fifty-five of section two hundred ten-B of this chapter and subdivision (ee) of section fifteen hundred eleven of this chapter shall not exceed fifteen million dollars in the aggregate in a taxable year.

(3) Credit recapture. For provisions requiring recapture of credit, see section forty-four of this chapter.

§ 4. Section 1511 of the tax law is amended by adding a new subdivision (ee) to read as follows:

(ee) Work opportunity tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, against the tax imposed by this article, of two thousand four hundred dollars for each long term unemployed person hired during a taxable year. Such tax credit shall be applicable only to businesses employing fifty or fewer employees. For the purposes of this subdivision, a "long term unemployed person" shall be an individual who has been a resident of New York for three years immediately preceding hiring and who, prior to being hired by the business eligible for the credit established pursuant to this subdivision, had been unemployed and receiving public assistance for six consecutive months or more, and is retained for full-time employment by such business for at least one

1 year. The total amount of credit to be provided statewide shall not
2 exceed fifteen million dollars in a taxable year.

3 (2) Application of credit. The credit allowed under this subdivision
4 shall not reduce the tax due for such year to be less than the minimum
5 fixed by paragraph four of subdivision (a) of section fifteen hundred
6 two or section fifteen hundred two-a of this article, whichever is
7 applicable. However, if the amount of the credit allowed under this
8 subdivision for any taxable year reduces the taxpayer's tax to such
9 amount, any amount of credit thus not deductible will be treated as an
10 overpayment of tax to be credited or refunded in accordance with the
11 provisions of section one thousand eighty-six of this chapter. Provided,
12 however, the provisions of subsection (c) of one thousand eighty-eight
13 of this chapter notwithstanding, no interest shall be paid thereon. The
14 total amount of credit to be provided statewide for this credit, the
15 credit allowed under subdivision fifty-five of section two hundred ten-B
16 of this chapter and subdivision (kkk) of section six hundred six of this
17 chapter shall not exceed fifteen million dollars in the aggregate in a
18 taxable year.

19 (3) Credit recapture. For provisions requiring recapture of credit,
20 see section forty-four of this chapter.

21 § 5. This act shall take effect immediately and shall apply to taxable
22 years beginning on and after January 1, 2022 and shall apply to eligible
23 individuals hired on and after such effective date.