

STATE OF NEW YORK

1153

2023-2024 Regular Sessions

IN SENATE

January 10, 2023

Introduced by Sen. SANDERS -- 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 establishing a returning veterans tax credit for businesses that hire veterans and disabled veterans

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 59 to read as follows:

3 59. Returning veterans tax credit. (a) General. A taxpayer shall be
4 allowed a credit, to be computed as provided in this subdivision,
5 against the tax imposed by this article for each veteran or disabled
6 veteran hired during a taxable year, provided that:

7 (i) such veteran is a new employee and is employed for thirty-five
8 hours or more per week and remains in the employ of such taxpayer for
9 twelve months or more; or

10 (ii) such disabled veteran is a new employee who is employed for
11 seventeen and one-half hours or more per week and remains in the employ
12 of such taxpayer for twelve months or more.

13 (b) Amount of credit. A credit authorized by this section shall equal
14 three thousand dollars per hired veteran and four thousand dollars per
15 hired disabled veteran but shall not exceed fifteen thousand dollars
16 annually.

17 (c) Carryovers. The credit allowed under this subdivision may be
18 claimed and if not fully used in the initial year for which the credit
19 is claimed may be carried over, in order, to each of the ten succeeding
20 taxable years. The credit authorized by this subdivision may not be used
21 to reduce the tax liability of the credit claimant below zero.

22 (d) Definitions. As used in this subdivision, the following terms
23 shall have the following meanings:

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

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

4 (ii) "Base year" shall mean calendar year two thousand twenty-three.

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

8 (iv) "Credit employment" shall mean base employment plus the number of
9 new employees for which a credit is earned for the prior tax years.

10 (v) "Veteran" shall have the same meaning as set forth in section
11 eighty-five of the civil service law.

12 (vi) "Disabled veteran" shall have the same meaning as set forth in
13 section eighty-five of the civil service law.

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

16 (1) Returning veterans tax Costs under subdivision
17 credit; subsection (ooo) fifty-nine of section
18 two hundred ten-B

19 § 3. Section 606 of the tax law is amended by adding a new subsection
20 (ooo) to read as follows:

21 (ooo) Returning veterans tax credit. (1) General. A taxpayer shall be
22 allowed a credit, to be computed as provided in this subsection, against
23 the tax imposed by this article for each veteran or disabled veteran
24 hired during a taxable year, provided that:

25 (i) such veteran is a new employee and is employed for thirty-five
26 hours or more per week and remains in the employ of such taxpayer for
27 twelve months or more; or

28 (ii) such disabled veteran is a new employee and is employed for
29 seventeen and one-half hours or more per week and remains in the employ
30 of such taxpayer for twelve months or more.

31 (2) Amount of credit. A credit authorized by this section shall equal
32 three thousand dollars per hired veteran and four thousand dollars per
33 hired disabled veteran but shall not exceed fifteen thousand dollars
34 annually.

35 (3) Carryovers. The credit allowed under this subsection may be
36 claimed and if not fully used in the initial year for which the credit
37 is claimed may be carried over, in order, to each of the ten succeeding
38 taxable years. The credit authorized by this subsection may not be used
39 to reduce the tax liability of the credit claimant below zero.

40 (4) Definitions. As used in this subsection, the following terms shall
41 have the following meanings:

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

45 (ii) "Base year" shall mean calendar year two thousand twenty-three.

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

49 (iv) "Credit employment" shall mean base employment plus the number of
50 new employees for which a credit is earned for the prior tax years.

51 (v) "Veteran" shall have the same meaning as set forth in section
52 eighty-five of the civil service law.

53 (vi) "Disabled veteran" shall have the same meaning as set forth in
54 section eighty-five of the civil service law.

1 § 4. This act shall take effect immediately and shall apply to taxable
2 years beginning on or after January 1, 2024 and shall apply to those
3 employees hired after this act shall take effect.