

STATE OF NEW YORK

4841

2023-2024 Regular Sessions

IN SENATE

February 15, 2023

Introduced by Sen. ASHBY -- 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 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 59 to read as follows:

3 59. 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 employees.

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 such benefits are chargeable to the experi-
18 ence rating account of an employer under this article; or has success-
19 fully completed a training program pursuant to section five hundred
20 ninety-nine of the labor law;

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

23 (vi) remains employed by the employer for at least twenty-four consec-
24 utive months; and

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

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

(d) For the purposes of this subdivision the following terms shall have the following meanings:

(i) "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.

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

(iii) "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.

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

(e) An employer who has one or more creditable employees shall be eligible to apply for and receive the credit established in this subdivision. 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.

(f) In no event shall the total amount of any tax credit under this subdivision 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.

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

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

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

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

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

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

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

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

(D) is currently receiving unemployment compensation benefits as of the date of employment and such benefits are chargeable to the experience rating account of an employer under this article; or has successfully completed a training program pursuant to section five hundred ninety-nine of the labor law;

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

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

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

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

1 (A) "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 (B) "base year" shall mean calendar year two thousand twenty-three.

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

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

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

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

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

26 (1) Jobs development incentive Amount of credit under
27 tax credit under subsection (ooo) subdivision fifty-nine of section
28 two hundred ten-B of this chapter

29 § 4. This act shall take effect immediately.