

# STATE OF NEW YORK

200

2023-2024 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 4, 2023

Introduced by M. of A. MAGNARELLI, COOK, REYES -- Multi-Sponsored by --  
M. of A. GUNTHER -- read once and referred to the Committee on Ways  
and Means

AN ACT to amend the tax law, in relation to providing credits against  
the tax imposed upon employers providing certain day care services to  
the children of its employees

The People of the State of New York, represented in Senate and Assem-  
bly, 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. Employer day care credit. (a) A taxpayer shall be allowed a credit  
4 against the tax imposed by this article to the extent of twenty percent  
5 of the expenses incurred during a taxable year by the taxpayer in making  
6 available day care services to the children and wards of employees and  
7 in training persons employed by the taxpayer or by a third party provid-  
8 er rendering such services. A taxpayer may make such services available  
9 as follows:

10 (1) pursuant to a written contract with a third party provider;

11 (2) by reimbursing an employee for expenses incurred by the employee  
12 for such services; or

13 (3) by providing on-site or near-site day care services.

14 In no event shall the amount of such credit exceed the amount of tax  
15 otherwise due pursuant to this article for any taxable year.

16 (b) (1) No such credit shall be allowed to a taxpayer who unfairly  
17 discriminates against any employee on the basis of race, creed, reli-  
18 gion, sex, national origin, age, disability, or marital status in making  
19 available day care services.

20 (2) A taxpayer may give a preference to children or wards of employees  
21 for whom obtaining or maintaining gainful employment is contingent upon

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

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1 the availability of day care services for such children or wards, in  
2 providing services qualifying for a credit hereunder.

3 (c) No such credit shall be allowed to a taxpayer unless the facility  
4 or program rendering day care services is licensed by and subject to the  
5 regulations of the department of family assistance or the human  
6 resources administration governing day care facilities in New York city.

7 (d) No such credit shall be allowed to a taxpayer if the facility or  
8 program rendering day care services admits, during regular school hours,  
9 children who are subject to the provisions of the education law with  
10 regard to compulsory school attendance.

11 § 2. Section 1511 of the tax law is amended by adding a new subdivi-  
12 sion (ee) to read as follows:

13 (ee) Employer day care credit. (1) A taxpayer shall be allowed a cred-  
14 it against the tax imposed by this article to the extent of twenty  
15 percent of the expenses incurred during the taxable year by the taxpayer  
16 in making available day care services to the children and wards of  
17 employees and in training persons employed by the taxpayer or by a third  
18 party provider rendering such services. A taxpayer may make such  
19 services available as follows:

20 (A) pursuant to a written contract with a third party provider;

21 (B) by reimbursing an employee for expenses incurred by the employee  
22 for such services; or

23 (C) by providing on-site or near-site day care services.

24 In no event shall the amount of such credit exceed the amount of tax  
25 otherwise due pursuant to this article for any taxable year.

26 (2) (A) No such credit shall be allowed to a taxpayer who unfairly  
27 discriminates against any employee on the basis of race, creed, reli-  
28 gion, sex, national origin, age, disability or marital status in making  
29 available day care services.

30 (B) A taxpayer may give a preference to children or wards of day care  
31 dependent employees for whom obtaining or maintaining gainful employment  
32 is contingent upon the availability of day care services for such chil-  
33 dren or wards, in providing services qualifying for a credit hereunder.

34 (3) No such credit shall be allowed to a taxpayer unless the facility  
35 or program rendering day care services is licensed by and subject to the  
36 regulations of the department of family assistance or the human  
37 resources administration governing day care facilities in New York city.

38 (4) No such credit shall be allowed to a taxpayer if the facility or  
39 program rendering day care services admits, during regular school hours,  
40 children who are subject to the provisions of the education law with  
41 regard to compulsory school attendance.

42 § 3. Section 606 of the tax law is amended by adding a new subsection  
43 (bbb) to read as follows:

44 (bbb) Employer day care credit. (1) A taxpayer shall be allowed a  
45 credit against the tax imposed by section six hundred one of this part  
46 to the extent of twenty percent of expenses incurred during the taxable  
47 year by the taxpayer in making available day care services to the chil-  
48 dren and wards of employees and in training persons employed by the  
49 taxpayer or by a third party provider rendering such services. A taxpay-  
50 er may make such services available as follows:

51 (A) pursuant to a written contract with a third party provider;

52 (B) by reimbursing an employee for expenses incurred by the employee  
53 for such services; or

54 (C) by providing on-site or near-site day care services.

55 In no event shall the amount of such credit exceed the amount of tax  
56 otherwise due pursuant to this article for any taxable year.

1 (2) (A) No such credit shall be allowed to a taxpayer who unfairly  
2 discriminates against any employee on the basis of race, creed, reli-  
3 gion, sex, national origin, age, disability or marital status in making  
4 available day care services.

5 (B) A taxpayer may give a preference to children or wards of employees  
6 for whom obtaining or maintaining gainful employment is contingent upon  
7 the availability of day care services for such children or wards, in  
8 providing services qualifying for a credit hereunder.

9 (3) No such credit shall be allowed to a taxpayer unless the facility  
10 or program rendering day care services is licensed by and subject to the  
11 regulations of the department of family assistance or the human  
12 resources administration governing day care facilities in New York city.

13 (4) No such credit shall be allowed to a taxpayer if the facility or  
14 program rendering day care services admits, during regular school hours,  
15 children who are subject to the provisions of the education law with  
16 regard to compulsory school attendance.

17 § 4. This act shall take effect immediately and shall apply to taxable  
18 years commencing on and after January 1, 2025.