

STATE OF NEW YORK

2498

2025-2026 Regular Sessions

IN ASSEMBLY

January 17, 2025

Introduced by M. of A. RA, JENSEN, GANDOLFO, MAHER, SLATER, BENDETT, BLANKENBUSH, MANKTELOW, SMULLEN, ANGELINO, MILLER, CHANG, LEMONDES, McDONOUGH, BRABENEC, TANNOUSIS, MORINELLO, DeSTEFANO, TAGUE, SIMPSON, PALMESANO, WALSH, BEEPHAN -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to increasing the earned income tax credit

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

1 Section 1. Paragraph 1 of subsection (d) of section 606 of the tax
2 law, as amended by section 1 of part Q of chapter 63 of the laws of
3 2000, is amended to read as follows:
4 (1) General. A taxpayer shall be allowed a credit as provided herein
5 equal to (i) the applicable percentage of the earned income credit
6 allowed under section thirty-two of the internal revenue code for the
7 same taxable year, (ii) reduced by the credit permitted under subsection
8 (b) of this section.
9 The applicable percentage shall be (i) seven and one-half percent for
10 taxable years beginning in nineteen hundred ninety-four, (ii) ten
11 percent for taxable years beginning in nineteen hundred ninety-five,
12 (iii) twenty percent for taxable years beginning after nineteen hundred
13 ninety-five and before two thousand, (iv) twenty-two and one-half
14 percent for taxable years beginning in two thousand, (v) twenty-five
15 percent for taxable years beginning in two thousand one, (vi) twenty-
16 seven and one-half percent for taxable years beginning in two thousand
17 two, [~~and~~] (vii) thirty percent for taxable years beginning in two thou-
18 sand three, and (viii) forty-five percent for taxable years beginning in
19 two thousand twenty-five and thereafter. Provided, however, that if the
20 reversion event, as defined in this paragraph, occurs, the applicable
21 percentage shall be twenty percent for taxable years ending on or after
22 the date on which the reversion event occurred. The reversion event

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

LBD05758-01-5

1 shall be deemed to have occurred on the date on which federal action,
2 including but not limited to, administrative, statutory or regulatory
3 changes, materially reduces or eliminates New York state's allocation of
4 the federal temporary assistance for needy families block grant, or
5 materially reduces the ability of the state to spend federal temporary
6 assistance for needy families block grant funds for the earned income
7 credit or to apply state general fund spending on the earned income
8 credit toward the temporary assistance for needy families block grant
9 maintenance of effort requirement, and the commissioner of the office of
10 temporary and disability assistance shall certify the date of such event
11 to the commissioner of taxation and finance, the director of the divi-
12 sion of the budget, the speaker of the assembly and the temporary presi-
13 dent of the senate.

14 § 2. Subsection (d) of section 606 of the tax law is amended by adding
15 a new paragraph 9 to read as follows:

16 (9) For taxable years beginning on or after January first, two thou-
17 sand twenty-five, an earned income tax credit pursuant to this section
18 or an enhanced earned income tax credit pursuant to subsection (d-1) of
19 this section may, at the election of the taxpayer made via a form to be
20 prescribed by the commissioner, be paid to the taxpayer as follows: (i)
21 for amounts equal to or less than two hundred dollars, the payment or
22 refund shall be made in a lump sum, (ii) for amounts in excess of two
23 hundred dollars and less than two thousand four hundred dollars, the
24 payment or refund shall equal three quarterly checks each equal to twen-
25 ty-five percent of the taxpayer's anticipated credit amount, and the
26 remaining balance of such payment or refund shall be included in any
27 final refund owed to the taxpayer following the completion of the
28 taxpayer's tax return, and (iii) for amounts equal to or greater than
29 two thousand four hundred dollars, the payment or refund shall be paid
30 in equal monthly payments equal to the total amount thereof divided by
31 twelve.

32 § 3. This act shall take effect on the one hundred twentieth day after
33 it shall have become a law. Effective immediately, the addition, amend-
34 ment and/or repeal of any rule or regulation necessary for the implemen-
35 tation of this act on its effective date are authorized to be made on or
36 before such effective date.