

STATE OF NEW YORK

3694

2025-2026 Regular Sessions

IN SENATE

January 29, 2025

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 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 61 to read as follows:

3 61. 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.

LBD08005-01-5

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

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

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

12	<u>(lii) Work opportunity tax credit</u>	<u>Amount of credit under</u>
13	<u>under subsection (qqq)</u>	<u>subdivision sixty-one of</u>
14		<u>section two hundred ten-B</u>

15 § 3. Section 606 of the tax law is amended by adding a new subsection
 16 (qqq) to read as follows:

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

29 (2) Application of credit. If the amount of the credit allowed under
30 this subsection for any taxable year shall exceed the taxpayer's tax for
31 such year, the excess shall be treated as an overpayment of tax to be
32 credited or refunded in accordance with the provisions of section six
33 hundred eighty-six of this article, provided, however, that no interest
34 shall be paid thereon. The total amount of credit to be provided state-
35 wide for this credit, the credit allowed under subdivision sixty-one of
36 section two hundred ten-B of this chapter and subdivision (ff) of
37 section fifteen hundred eleven of this chapter shall not exceed fifteen
38 million dollars in the aggregate in a taxable year.

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

41 § 4. Section 1511 of the tax law is amended by adding a new subdivi-
 42 sion (ff) to read as follows:

43 (ff) Work opportunity tax credit. (1) Allowance of credit. A taxpayer
44 shall be allowed a credit, against the tax imposed by this article, of
45 two thousand four hundred dollars for each long term unemployed person
46 hired during a taxable year. Such tax credit shall be applicable only to
47 businesses employing fifty or fewer employees. For the purposes of this
48 subdivision, a "long term unemployed person" shall be an individual who
49 has been a resident of New York for three years immediately preceding
50 hiring and who, prior to being hired by the business eligible for the
51 credit established pursuant to this subdivision, had been unemployed and
52 receiving public assistance for six consecutive months or more, and is
53 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 section one thousand eight-
13 y-eight of this chapter notwithstanding, no interest shall be paid ther-
14 eon. The total amount of credit to be provided statewide for this cred-
15 it, the credit allowed under subdivision sixty-one of section two
16 hundred ten-B of this chapter and subdivision (qqq) of section six
17 hundred six of this chapter shall not exceed fifteen million dollars in
18 the aggregate in a 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, 2026 and shall apply to eligible
23 individuals hired on and after such effective date.