

STATE OF NEW YORK

910

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 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 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 61 to read as follows:

3 61. 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:

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

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

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

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

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

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

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

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

14 <u>(lii) Returning veterans tax</u>	<u>Costs under subdivision</u>
15 <u>credit; subsection (qqq)</u>	<u>sixty-one of section</u>
16	<u>two hundred ten-B</u>

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

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

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

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

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

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

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

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

43 (ii) "Base year" shall mean calendar year two thousand twenty-five.

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

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

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

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

53 § 4. This act shall take effect immediately and shall apply to taxable
 54 years beginning on or after January 1, 2026 and shall apply to those
 55 employees hired after this act shall take effect.