

STATE OF NEW YORK

1652

2025-2026 Regular Sessions

IN ASSEMBLY

January 10, 2025

Introduced by M. of A. ROSENTHAL -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to a tax credit for employment of an individual who has successfully completed a judicial diversion program or graduated from drug court

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. Credit for employment of individuals who have graduated from drug
4 court or have successfully completed a judicial diversion program. (a)
5 Allowance of credit. A taxpayer shall be allowed a credit, to be
6 computed as provided in this subdivision, against the tax imposed by
7 this article, if it employs an individual who has graduated from drug
8 court or has successfully completed a judicial diversion program pursu-
9 ant to article two hundred sixteen of the criminal procedure law,
10 provided that such individual is employed for thirty-five hours or more
11 per week and remains in the employ of such taxpayer for a minimum of
12 twelve months.

13 (b) Amount of credit. A credit authorized by this section shall equal
14 three thousand dollars per hired individual for the first year of
15 employment and an additional one thousand dollars if the individual
16 remains in employ for an additional twelve months.

17 (c) Application of credit. The credit allowed under this subdivision
18 for any taxable year shall not reduce the tax due for such year to less
19 than the amount prescribed in paragraph (d) of subdivision one of this
20 section. If, however, the amount of credits allowed under this subdivi-
21 sion for any taxable year reduces the tax to such amount, any amount of
22 credit thus not deductible in such taxable year shall be treated as an
23 overpayment of tax to be credited or refunded in accordance with the
24 provisions of section one thousand eighty-six of this chapter. Provided,

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

LBD04083-01-5

1 however, the provisions of subsection (c) of section one thousand eight-
2 y-eight of this chapter notwithstanding, no interest shall be paid ther-
3 eon.

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

7	<u>(lii) Employment of individuals</u>	<u>Amount of credit</u>
8	<u>who have graduated from</u>	<u>under subdivision</u>
9	<u>drug court or have</u>	<u>sixty-one of section</u>
10	<u>successfully completed</u>	<u>two hundred ten-B</u>
11	<u>a judicial diversion program</u>	
12	<u>tax credit under</u>	
13	<u>subsection (bbb)</u>	

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

16 (bbb) Tax credit for employment of individuals who have graduated from
17 drug court or have successfully completed a judicial diversion program.

18 (1) Allowance of credit. A taxpayer shall be allowed a credit, to be
19 computed as provided in this subsection, against the tax imposed by this
20 article, if it employs an individual who has graduated from drug court
21 or who has successfully completed a judicial diversion program pursuant
22 to article two hundred sixteen of the criminal procedure law, provided
23 that such individual is employed for thirty-five hours or more per week
24 and remains in the employ of such taxpayer for twelve months.

25 (2) Amount of credit. A credit authorized by this section shall equal
26 three thousand dollars per hired individual for the first year of
27 employment and an additional one thousand dollars if the individual
28 remains in employ for an additional twelve months.

29 (3) Application of credit. The credit allowed under this subsection
30 for any taxable year shall not reduce the tax due for such year to less
31 than the higher of the amount prescribed in paragraphs (c) and (d) of
32 subdivision one of section two hundred ten-B of this chapter. If,
33 however, the amount of credits allowed under this subdivision for any
34 taxable year reduces the tax to such amount, any amount of credit thus
35 not deductible in such taxable year shall be treated as an overpayment
36 of tax to be credited or refunded in accordance with the provisions of
37 section one thousand eighty-six of this chapter. Provided, however, the
38 provisions of subsection (c) of section one thousand eighty-eight of
39 this chapter notwithstanding, no interest shall be paid thereon.

40 § 4. This act shall take effect immediately and shall be deemed to
41 have been in full force and effect on the same date as part A of chapter
42 59 of the laws of 2014 took effect and shall apply to taxable years
43 beginning on and after January 1, 2027 and shall apply to those employ-
44 ees hired after this act shall take effect.