

STATE OF NEW YORK

4583

2025-2026 Regular Sessions

IN ASSEMBLY

February 4, 2025

Introduced by M. of A. CUNNINGHAM, JACKSON, ALVAREZ -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to providing a re-entry employment incentive 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. Re-entry employment incentive tax credit. (a) A taxpayer shall be
4 allowed a credit, to be computed as hereinafter provided, against the
5 tax imposed by this article in the amount prescribed by this subdivision
6 where such taxpayer employs one or more qualifying individuals desig-
7 nated pursuant to paragraph (c) of this subdivision.

8 (b) The amount of the credit shall be as follows for each qualifying
9 individual employed by the taxpayer:

10 (i) fifty percent of the qualified wages in the first year of employ-
11 ment;

12 (ii) forty percent of qualified wages in the second year of employ-
13 ment; and

14 (iii) thirty percent of qualified wages in the third year of employ-
15 ment.

16 (c) For the purposes of this subdivision, "qualifying individual"
17 shall mean an individual hired by a taxpayer on or after January first,
18 two thousand twenty-five who:

19 (i) has been convicted of a felony in this state in the last five
20 years, has been released from a correctional facility as defined in
21 subdivision four of section two of the correction law in the last five
22 years or is serving a period of post-release supervision, parole or
23 probation for the conviction of a felony, provided that an individual
24 shall be considered a qualified individual for each of the first four

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

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1 years of employment if hired by the taxpayer within the time period
2 specified in this subparagraph;

3 (ii) resides in this state; and

4 (iii) receives qualified wages for at least three continuous months
5 from the taxpayer during the taxable year.

6 (d) For the purposes of this subdivision, "qualified wages" shall mean
7 wages paid or incurred by the taxpayer during the taxable year to the
8 qualified individual, provided that the amount of qualified wages which
9 may be taken into account when calculating the credit pursuant to this
10 subdivision shall not exceed fifteen thousand dollars per year.

11 (e) Notwithstanding any provision of law to the contrary, the credit
12 and carryover of such credit allowed under this subdivision for any
13 taxable years shall not, in the aggregate, reduce the tax due for such
14 year to less than the higher of the amounts prescribed in paragraphs (c)
15 and (d) of subdivision one of this section, any amount of credit or
16 carryover of such credit thus not deductible in such taxable year may be
17 carried over to the following year or years and may be deducted from the
18 tax for such year or years. In addition, the amount of such credit, and
19 carryovers of such credit to the taxable year, deducted from the tax
20 otherwise due may not, in the aggregate, exceed fifty percent of the tax
21 imposed under section two hundred nine of this article computed without
22 regard to any credit provided by this section.

23 § 2. Section 606 of the tax law is amended by adding a new subsection
24 (k-1) to read as follows:

25 (k-1) Re-entry employment incentive tax credit. (1) A taxpayer shall
26 be allowed a credit, to be computed as hereinafter provided, against the
27 tax imposed by this article in the amount prescribed by this subsection
28 where such taxpayer employs one or more qualifying individuals desig-
29 nated pursuant to paragraph three of this subsection.

30 (2) The amount of the credit shall be as follows for each qualifying
31 individual employed by the taxpayer:

32 (i) Fifty percent of the qualified wages in the first year of employ-
33 ment;

34 (ii) Forty percent of qualified wages in the second year of employ-
35 ment; and

36 (iii) Thirty percent of qualified wages in the third year of employ-
37 ment.

38 (3) For the purposes of this subsection, "qualifying individual" shall
39 mean an individual hired by a taxpayer on or after January first, two
40 thousand twenty-five who:

41 (i) has been convicted of a felony in this state in the last five
42 years, has been released from a correctional facility as defined in
43 subdivision four of section two of the correction law in the last five
44 years or is serving a period of post-release supervision, parole or
45 probation for the conviction of a felony, provided that an individual
46 shall be considered a qualified individual for each of the first four
47 years of employment if hired by the taxpayer within the time period
48 specified in this subparagraph;

49 (ii) resides in this state; and

50 (iii) receives qualified wages for at least three continuous months
51 from the taxpayer during the taxable year.

52 (4) For the purposes of this subsection, "qualified wages" shall mean
53 wages paid or incurred by the taxpayer during the taxable year to the
54 qualified individual, provided that the amount of qualified wages which
55 may be taken into account when calculating the credit pursuant to this
56 subsection shall not exceed fifteen thousand dollars per year.

1 (5) Notwithstanding any provision of law to the contrary, if the
 2 amount of the credit and carryovers of such credit allowed under this
 3 subsection for any taxable year shall exceed the taxpayer's tax for such
 4 year, any amount of credit or carryovers of such credit thus not deduct-
 5 ible in such taxable year may be carried over to the following year or
 6 years and may be deducted from the tax for such year or years. In addi-
 7 tion, the amount of such credit, and carryovers of such credit to the
 8 taxable year, deducted from the tax otherwise due may not, in the aggre-
 9 gate, exceed fifty percent of the tax imposed under section six hundred
 10 one of this part computed without regard to any credit provided for by
 11 this section.

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

15 <u>(lii) Re-entry employment</u>	<u>Amount of credit</u>
16 <u>incentive tax credit under</u>	<u>under subdivision</u>
17 <u>subsection (k-1)</u>	<u>sixty-one of section</u>
18	<u>two hundred ten-B</u>

19 § 4. This act shall take effect on the sixtieth day after it shall
 20 have become a law.