STATE OF NEW YORK

367

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. COONEY, ADDABBO, BROUK, HINCHEY, HOYLMAN-SIGAL, RAMOS, RIVERA, 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 the calculation of the empire state child credit

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

Section 1. Paragraph 1 of subsection (c-1) of section 606 of the tax law, as amended by section 1 of part HH of chapter 56 of the laws of 2023, is amended to read as follows:

(1) A resident taxpayer **with a New York state adjusted gross income of less than seventy-five thousand dollars in the case of an individual who is not married; one hundred ten thousand dollars in the case of a joint return; or fifty-five thousand dollars in the case of a married individual filing a separate return** shall be allowed a credit as provided herein equal to the greater of [~~one~~]**: (A) five** hundred dollars times the number of qualifying children of the taxpayer **who are four years of age or older and one thousand dollars times the number of qualifying children of the taxpayer who are less than four years of age;** or **(B)** the applicable percentage of the child tax credit allowed the taxpayer under section twenty-four of the internal revenue code for the same taxable year for each qualifying child. Provided, however, in the case of a taxpayer whose federal adjusted gross income exceeds the applicable threshold amount set forth by section 24(b)(2) of the Internal Revenue Code, the credit shall only be equal to the applicable percentage of the child tax credit allowed the taxpayer under section 24 of the Internal Revenue Code for each qualifying child. For the purposes of this subsection, a qualifying child shall be a child who meets the definition of qualified child under section 24(c)**(1)** of the internal revenue code. The applicable percentage shall be thirty-three percent. For purposes of

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

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this subsection, any reference to section 24 of the Internal Revenue Code shall be a reference to such section as it existed immediately prior to the enactment of Public Law 115-97.

§ 2. This act shall take effect immediately and shall apply to qualified children as defined prior to the enactment of Public Law 115-97 who do not receive the child tax credit under the American Rescue Plan Act of 2021; provided further, that this act shall apply to all other qualified children as defined prior to the enactment of Public Law 115-97 in the first tax year after the child tax credit under the American Rescue Plan Act of 2021 has ended or in taxable years commencing on or after January 1, 2026, whichever is later.