STATE OF NEW YORK

3914--A

2025-2026 Regular Sessions

IN SENATE

January 30, 2025

Introduced by Sens. MARTINS, BORRELLO, CANZONERI-FITZPATRICK, CHAN, GALLIVAN, HELMING, MATTERA, OBERACKER, O'MARA, ORTT, PALUMBO, RHOADS, ROLISON, STEC, TEDISCO, WALCZYK, WEBER, WEIK -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to subtracting from federal adjusted gross income any overtime compensation earned by an individual

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

Section 1. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 48 to read as follows:

(48) Any overtime compensation received by an individual, to the extent includible in gross income for federal income tax purposes. For purposes of this paragraph, "overtime compensation" shall mean wages earned for time an individual worked beyond such individual's normal scheduled working hours. Provided, however, that for the purposes of qualified overtime compensation as defined in section 225 (c) of the Internal Revenue Code it shall include any compensation paid to an individual that is in excess of the regular rate at which such individual is employed if (i) such compensation is paid for work for a single employer pursuant to an agreement between the employee (or labor organization representing such employee) and employer entered into before the performance of the work, and (ii) either such work is in excess of a standard number of hours of such work for a specified period of time and such agreement specifies that such standard number of hours for a specified time is not less than forty hours for a seven day period, or, if the employee (including any crewmember or flight crewmember or rail

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

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operating craft employee) and employer referred to in subparagraph (i) of this paragraph are both covered by the Railway Labor Act, such work is beyond scheduled or anticipated hours on duty that exceed a maximum number of hours with respect to a specified period of time (as determined pursuant to such agreement).

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2026.