

STATE OF NEW YORK

910--A

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. SANDERS, WEBER -- 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 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 63 to read as follows:

3 63. 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

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

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1 taxable years. The credit authorized by this subdivision may not be used
2 to reduce the tax liability of the credit claimant below zero.

3 (d) Definitions. As used in this subdivision, the following terms
4 shall have the following meanings:

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

8 (ii) "Base year" shall mean calendar year two thousand twenty-six.

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

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

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

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

18 § 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
19 of the tax law is amended by adding a new clause (liii) to read as
20 follows:

| | |
|-----------------------------------------|--------------------------------|
| 21 <u>(liii) Returning veterans tax</u> | <u>Costs under subdivision</u> |
| 22 <u>credit; subsection (www)</u> | <u>sixty-three of section</u> |
| 23 | <u>two hundred ten-B</u> |

24 § 3. Section 606 of the tax law is amended by adding a new subsection
25 (www) to read as follows:

26 (www) Returning veterans tax credit. (1) General. A taxpayer shall be
27 allowed a credit, to be computed as provided in this subsection, against
28 the tax imposed by this article for each veteran or disabled veteran
29 hired during a taxable year, provided that:

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

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

36 (2) Amount of credit. A credit authorized by this section shall equal
37 three thousand dollars per hired veteran and four thousand dollars per
38 hired disabled veteran but shall not exceed fifteen thousand dollars
39 annually.

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

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

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

50 (ii) "Base year" shall mean calendar year two thousand twenty-six.

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

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

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

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

5 § 4. This act shall take effect immediately and shall apply to taxable
6 years beginning on or after January 1, 2027 and shall apply to those
7 employees hired after this act shall take effect.