

Recovery Tax Credit (RTC) Request for Applications



1. Can individuals apply for a tax credit on their own individual taxes? Or is this for a corporate tax benefit, that the employer applies for?

This is a tax credit for businesses that pay corporate taxes. It would not be applicable for an individual's personal tax return or for businesses that do not pay corporate taxes in NYS.

2. When do employees need to be hired and how many hours do they need to work for their employer to be eligible for the tax cut?

Eligible employees need to have been hired on or after April 12, 2019, have completed an OASAS treatment program, and work a minimum of 500 hours between April 12, 2019 and December 31, 2020 and employees need to remain employed by the company on or after January 1, 2020.

3. If my employee relapses will I lose the tax credit?

No, a return to use by the eligible employee has no effect on the tax credit. Employers are expected to work with employees with SUD, as they would with any other employee with a chronic illness. However, employees would still need to meet the minimum hours of employment to be eligible.

4. The RFA indicates that preliminary applications can be submitted up until December 1st, 2020, and annually by January 15th. Can you advise for the first application, would this be in consideration of all employees employed from April 12, 2019 through December 31, 2019 and remaining employed into 2020?

Yes, employees who work any part of April 12, 2019 through December 31, 2020 and remain employed on or after January 1, 2020 will be eligible assuming they meet the other criteria.

The application needs to be submitted by December 1st, 2020 for the 2020 Tax year and includes the hours worked between April 12, 2019 – December 31, 2020. Since the application is due 12/1/2020 you would estimate the hours worked in that timeframe and OASAS would verify it before issuing the tax credit. You would submit a new application in 2021 for the 2021 tax year for taxes that will be submitted in 2022.

5. Must employees sign off when receiving the training requirements listed on the RFA?

Employers should keep records of when the training was provided and to whom. A sign-in sheet for these sessions that includes that date and printed names of employees would be enough. It should be available should OASAS need to audit an employer.

6. In the RFA packet on page 3 in the Work Hours section it reads:
Work hours can be gained from April 12, 2019 until December 31st of the year immediately succeeding the date of hire. Does this mean that eligible work hours reported are within April 12, 2019 and December 31, 2019?

No, hours can be earned from April 12, 2019 through December 31, 2020 if the employee is still employed after 1-1-2020.

7. What if the tax credit exceeds my employer tax for the taxable year?

If tax credit exceeds employer's tax for the taxable year, your tax credit will be treated as an overpayment and credited or refunded to you.

8. What does it mean in the RFA when it says, "Assist individuals in recovery with the hiring process?"

One example could be a new employee has never completed a W2 so to assist them with the completion of forms.

9. Will OASAS assist me in fulfilling the training requirements as outlined in the RFA?

Yes, OASAS is here to support you and will help you fulfill the training requirement.

10. If someone were to claim 500 hours in one tax year for an employee, can they claim the additional 1500 in the next tax year for the same employee?

No, the credit can only be claimed once per employee. However, if the employer expects the employee to reach an additional 1500 hours in the next year, they can wait to claim the credit in that year, counting the 500 hours from the previous year.

We're here to help and want to make this as simple as possible for you. Feel free to reach out to us to walk you through it. For more information/additional questions email: Recovery.tax.credit@oasas.ny.gov.