



NEW YORK STATE SENATOR

Jack M. Martins

Senator Martins' Small Business Assistance Legislation Passed by Senate

JACK M. MARTINS June 12, 2015

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Bill Would Allow Small Businesses to Create Tax Deferred Savings Accounts For Job Creation and Disaster Recovery

Senator Jack M. Martins (R-Mineola) announced that the New York State Senate passed legislation he sponsored to help businesses create or retain jobs during times of hardship.

The legislation (S4376) would allow small businesses with up to 50 employees to create a tax deferred savings account. The accounts would be similar to existing individual retirement accounts. Small businesses would be able to deposit funds into the account tax free, which could only be withdrawn specifically for the purpose of creating or retaining full-time jobs during an economic downturn or to recover from a natural disaster, such as a hurricane.

"Small businesses employ our residents, provide important services, and are part of our neighborhoods. Our economy depends on their success. Creating incentives for them to save money that can be used to create or retain jobs during hard times will benefit them, our residents, and our communities. The Assembly should join the Senate in passing this legislation," said Senator Martins, Chairman of the Senate's Labor Committee.

Providing a potential tax benefit for small business to set aside these funds will give them another incentive to create jobs and grow their operations. Additionally, in the event of an economic downturn or a catastrophic event, businesses would be able to make ends meet without having to lay off employees.

“Kudos to Senator Jack Martins for passing a critical tax incentive helping Main Street businesses. So many initiatives do not reach the backbone of Long Island’s economy, which is the small business community. Thankfully, this one does. We hope the Assembly will advance similar legislation this session,” said Eric Alexander, Executive Director of Vision Long Island, a nonprofit organization dedicated to Main Street revitalization.

“Passing legislation for Small Business Savings Accounts is a monumental step towards aiding local businesses in a tough economy. Special thanks to the New York State Senate for stepping up and assisting our economy,” said Richard Bivone, Nassau Co-Chair, Long Island Business Council and Past President of the Nassau Council of Chambers of Commerce.

“I am pleased and gratified that small businesses will have the opportunity to save tax deferred money in prosperous times and have that rainy day fund available when the economy is on the decline. A win-win for small businesses and government alike,” said Robert Fonti, Suffolk Co-Chair, Long Island Business Council.

“The New York State Senate once again demonstrated its leadership in advocating for interests of all New Yorkers who own or work for small businesses. Tax-deferred accounts for small business owners to strengthen their businesses and to keep jobs right here in New York State. We need this measure to make sure that our small businesses have a direct and effective mechanism to receive help during hard economic times. I want to thank Senator Martins for his leadership effort to help advance New York’s economy,” said Dr. Nathalia Rogers, Director of the American Communities Institute at Dowling College.