

Modifications of the Salary Deduction for the Federal

Targeted Jobs Credit and Work Incentive

Program (WIN) Credit

The Federal Tax Reform Act of 1978 (P.L. 95-600) amended Section 280C of the Internal Revenue Code to provide for the disallowance of a deduction for wages based on the claiming of two credits: (1) the Work Incentive Program (WIN) Credit and (2) the Targeted Jobs Credit (formerly known as the New Jobs Credit).

New York State Tax Law Sections 612(c)(15) and 706(11) provide that any disallowance of wages pursuant to Section 280C of the IRC shall be allowed as subtraction modifications.

The 1979 New York instructions include reference only to the Targeted Jobs Credit as a subtraction modification. It should be noted that the (WIN) Credit may also be claimed as a subtraction modification for New York State income tax purposes.