



New York Farm Bureau

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MEMORANDUM OF SUPPORT

Senate Bill 9082 (Senator Hinchey)/ Assembly Bill 9824 (Assemblymember Lupardo)

AN ACT TO AMEND THE TAX LAW, IN RELATION TO ELIGIBILITY FOR THE FARM EMPLOYER OVERTIME TAX CREDIT

Date: 5/13/2024

New York Farm Bureau, the state's largest agricultural advocacy organization, respectfully requests your support for this legislation. If enacted, this bill would allow all farmers in New York to be eligible for the Farm Employer Overtime Credit regardless of how their farm business is structured from a business perspective.

New York Farm Bureau was instrumental in successfully advocating for the Farm Employer Overtime Tax Credit in the FY 22-23 final state budget. The credit was intended to protect farming and food security in the state by offsetting the extraordinary costs to farmers who are now mandated to pay overtime to farm employees, as the farm overtime threshold makes its way from 60 hours a week to 40.

Unfortunately, the program was drafted to unintentionally exclude farms based upon how they structure their business operation when it comes to handling worker payroll. A number of farms in New York administer their payroll and benefits through a corporate entity established by the farm, as they frequently do for the milking or cropping side of the business. This happens many times when a farmer and their family own a number of farms in the state. This allows farms to simplify their payroll and benefits operations by having one entity to handle the human resources activities across all farm operations.

This critical legislation would allow all farmers, as the approved budget language in 2022 intended, to be eligible to receive the Farm Employer Overtime Tax Credit.

For these reasons, New York Farm Bureau requests your support of this legislation.