



Instructions for Form IT-643

Hire a Veteran Credit

IT-643-I

General information

For tax years beginning on or after January 1, 2015, and before January 1, 2026, eligible taxpayers may claim the hire a veteran credit for hiring and employing qualified veterans. Individuals (including sole proprietors), estates and trusts, shareholders of an S corporation, partners in a partnership (including a member of a limited liability company (LLC) that is treated as a partnership for federal income tax purposes), and beneficiaries of an estate or trust may claim the credit on Form IT-643.

Eligibility

To be eligible for this credit, you must meet **all** of the following requirements:

- you are subject to tax under Tax Law Article 9-A, 22, or 33;
- you hire a qualified veteran who begins employment on or after January 1, 2014, but before January 1, 2025; and
- you employ the qualified veteran in New York State twelve continuous and uninterrupted months (the *twelve-month period*) in a full-time or part-time position. The twelve-month period can span multiple tax years.

You must claim the credit for the tax year in which a qualified veteran completes the twelve-month period of employment.

Employee affidavit

To claim the credit, you must have the qualified veteran complete and sign Form DTF-75, *Employee Affidavit for the Hire a Veteran Credit*, on or before the date the veteran begins employment. Form DTF-75 is available on the Tax Department website. You must keep the completed Form DTF-75 in your records and make it available to the Tax Department upon request. Do not send it to the Tax Department.

Credit information

The credit is equal to 15% of the total amount of wages paid to the qualified veteran during the veteran's first twelve-month period of employment, but not more than \$15,000 for a veteran in a full-time position, or \$7,500 for a veteran in a part-time position.

If the qualified veteran is a disabled veteran, the credit is equal to 20% of the total amount of wages paid to the qualified disabled veteran during the veteran's twelve-month period, but not more than \$20,000 for a veteran in a full-time position, or \$10,000 for a veteran in a part-time position.

Note: This credit is based on wages paid to the qualified veteran during the veteran's first twelve-month period of employment, and therefore may only be claimed once for each qualified veteran.

A taxpayer who uses the hiring of a qualified veteran as the basis for this credit may not use this same hiring as the basis for any other credit allowed under Article 9-A, 22, or 33 of the Tax Law.

A taxpayer who discharges an employee and hires a qualified veteran solely for the purpose of qualifying for the credit is not eligible to claim the credit for any qualified veteran.

This credit is not refundable. However, any amount of the credit not used for the current tax year may be carried forward to the following three years.

How to claim the credit

File Form IT-643 with your return if you are an individual, a beneficiary or fiduciary of an estate or trust, a partner in a partnership (including members of an LLC treated as a partnership for federal tax purposes), or a shareholder of a New York S corporation, and you are claiming the hire a veteran credit.

An estate or trust that divides the credit among itself and its beneficiaries must submit Form IT-643 with Form IT-205, *Fiduciary Income Tax Return*, showing each beneficiary's share of the credit.

A partnership must submit Form IT-643 with Form IT-204, *Partnership Return*, showing the total credit.

A New York S corporation **does not** file Form IT-643. It must file Form CT-643, *Hire a Veteran Credit*. If you are a shareholder of an S corporation, obtain your share of the credit from the S corporation and follow the instructions on this form for claiming the credit on your personal income tax return.

Definitions

A *qualified veteran* is an individual who:

- served on active duty or in the reserves in the United States Army, Navy, Air Force, Space Force, Marine Corps, or Coast Guard, or who served in active military service of the United States as a member of the Army National Guard, Air National Guard, New York Guard, New York Naval Militia, or who served in the active uniformed services of the United States as a member of the commissioned corps of the National Oceanic and Atmospheric Administration or the commissioned corps of the United States Public Health Service, and:
 - who was released from active duty by general or honorable discharge, or
 - received a letter issued by the New York State Division of Veterans' Services (NYS DVS) verifying that the veteran meets the character of discharge eligibility requirements for all benefits, programs, and services covered under the Restoration of Honor Act, effective on November 12, 2020; and
- is hired in New York State by a qualified taxpayer and begins employment on or after January 1, 2014, but before January 1, 2025; and
- certifies by signed affidavit, under penalty of perjury, that the veteran has not been employed for 35 or more hours during any week in the 180-day period immediately prior to employment by the taxpayer (see *Employee affidavit* above).

A *disabled veteran* is an individual who meets the above definition of a qualified veteran and also meets the following qualifications of a disabled veteran as defined in New York State Civil Service Law section 85.1(b):

- the veteran is certified by the United States Department of Veterans Affairs or a military department as entitled to receive disability payments upon the certification by the Department of Veterans Affairs or military department for a disability incurred by the veteran in the course of the veteran's service and in existence at the time of hiring; and
- the certificate of the Department of Veterans Affairs states that:
 - the veteran has been examined by a medical officer at the Department of Veterans Affairs within one year of the date of hiring, and at the time of the examination, the disability

described in the certificate was found to exist and the disability is rated at 10% or more; or

- whether or not the veteran has been examined by a medical officer of the Department of Veterans Affairs within one year of the date of hiring, a permanent stabilized condition of disability exists to an extent of 10% or more.

A *full-time position* for the purpose of the credit is a qualified veteran who works for 1,820 or more hours for the twelve-month period.

A *part-time position* for the purpose of the credit is a qualified veteran who works for at least 1,040 hours but not more than 1,819 hours for the twelve-month period.

Line instructions

Line A – Mark an **X** in the appropriate box to determine the parts of this form you need to complete.

Individual (including sole proprietor): Complete Schedules A, D, and E.

Partnership: Complete Schedules A and D.

A married couple in a business enterprise that made an IRC 761(f) election to file two federal Schedule C forms instead of a partnership return: If you file jointly, compute your credit as if you were filing one federal Schedule C for the business (enter the total of all applicable amounts from both federal Schedule C forms). Complete Schedules A, D, and E.

Fiduciary: Complete Schedules A, C, D, and E.

Partner in a partnership, shareholder of a New York S corporation, and beneficiary of an estate or trust: Complete Schedules B, D, and E.

Note: If more than one of the above set of instructions applies to you, complete all appropriate parts of the form on one Form IT-643.

Additional forms – If you have more entries than will fit on the lines provided in Schedules A, B, or C, submit additional Forms IT-643, completing only the necessary schedules. Include your name and taxpayer identification number on each form, and include the totals from all additional Forms IT-643 on the indicated lines. Place the additional forms behind the first Form IT-643 and submit them with your return.

Schedule A – Individual (sole proprietor), partnership, and estate or trust

Part 1 – Computation of credit for qualified veterans in full-time positions

Enter the information for each qualified veteran who worked 1,820 or more hours during their first twelve-month period of employment. If needed, see *Additional forms* above.

Column C – Enter the beginning and ending dates of the qualified veteran's first twelve-month period of employment. You must claim the credit for the tax year in which the qualified veteran completes the twelve-month period of employment.

Column D – Enter the amount of wages paid to the qualified veteran during the veteran's first twelve-month period of employment, entered in column C.

Part 2 – Computation of credit for qualified veterans in part-time positions

Enter the information for each qualified veteran who worked at least 1,040 hours but not more than 1,819 hours during their first twelve-month period of employment. Do **not** include any

qualified veteran who worked less than 1,040 hours. If needed, see *Additional forms* above.

Column C – Enter the beginning and ending dates of the qualified veteran's first twelve-month period of employment. You must claim the credit for the tax year in which the qualified veteran completes the twelve-month period of employment.

Column D – Enter the amount of wages paid to the qualified veteran during the veteran's first twelve-month period of employment entered in column C.

Part 3 – Computation of credit for qualified disabled veterans in full-time positions

Enter the information for each qualified disabled veteran who worked 1,820 or more hours during the twelve-month period. If needed, see *Additional forms* above.

Column C – Enter the beginning and ending dates of the qualified veteran's first twelve-month period of employment. You must claim the credit for the tax year in which the qualified veteran completes the twelve-month period of employment.

Column D – Enter the amount of wages paid to the qualified disabled veteran during the veteran's the twelve-month period year of employment, entered in column C.

Part 4 – Computation of credit for qualified disabled veterans in part-time positions

Enter the information for each qualified disabled veteran who worked at least 1,040 hours but not more than 1,819 hours during the twelve-month period. Do **not** include any qualified disabled veteran who worked less than 1,040 hours. If needed, see *Additional forms* above.

Column C – Enter the beginning and ending dates of the qualified disabled veteran's first twelve-month period of employment. You must claim the credit for the tax year in which the qualified disabled veteran completes the twelve-month period of employment.

Column D – Enter the amount of wages paid to the qualified veteran during the veteran's first twelve-month of employment entered in column C.

Schedule B – Partner's, shareholder's, or beneficiary's share of credit

Enter the appropriate information for each partnership, New York S corporation, or estate or trust from which you received a share of the credit. Obtain your share of the credit from your partnership(s), S corporation, or estate or trust. If needed, see *Additional forms* above.

Schedule C – Beneficiary's and fiduciary's share of credit

An estate or trust must complete Schedule C. If an estate or trust allocates or assigns the credit to its beneficiaries, it must base the division on each beneficiary's proportionate share of the income of the estate or trust. Provide the beneficiaries with their share of the credit. If needed, see *Additional forms* above.

Schedule D – Computation of credit

Fiduciaries – Do not enter an amount on line 8 or 9.

Schedule E – Application of credit and computation of carryover

Line 13

Form IT-201 filers: Enter the tax from Form IT-201, line 39, **plus** any amount from Form IT-201-ATT, line 21.

Form IT-203 filers: Enter the tax from Form IT-203, line 46, **plus** any amount from Form IT-203-ATT, line 20.

Form IT-205 filers: Enter the tax from Form IT-205, line 8 (for residents), or line 9 (for nonresidents), **plus** any credits shown on line 1 of the *Addbacks worksheet* in the instructions for Form IT-205, line 12.

Line 14 – If you are applying any credits against the tax before this credit, enter the total amount here.

When applying credits, use the following rules:

- First apply the household credit.
- Next apply any credits that cannot be carried over or refunded.
- Then apply any credits that can be carried over for a limited duration.
- Then apply any credits that can be carried over for an unlimited duration.
- Apply refundable credits last.

Line 16 – Enter this amount and code **643** on Form IT-201-ATT, line 6; or Form IT-203-ATT, line 7; or include the amount on Form IT-205, line 10.

Line 18 – Enter any unused tax credit included on line 17 that expired during this tax year and is no longer available to be carried forward.

Note: Any portion of the hire a veteran credit earned in previous tax years that was not deducted can be carried forward for up to three tax years.
