

STATE OF NEW YORK

S. 8009--A

A. 9009--A

SENATE - ASSEMBLY

January 19, 2022

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to accelerating the middle-class tax cut (Part A); to amend the tax law, in relation to providing an enhanced investment tax credit to farmers (Subpart A); to amend the tax law and chapter 60 of the laws of 2016 amending the tax law relating to creating a farm workforce retention credit, in relation to the effectiveness of such credit (Subpart B); and to amend the tax law, in relation to establishing a farm employer overtime credit (Subpart C) (Part B); to amend the tax law and the administrative code of the city of New York, in relation to expanding the small business subtraction modification (Part C); to amend the tax law, in relation to excluding certain loan forgiveness awards from state income tax (Part D); to amend the economic development law and the tax law, in relation to creating the COVID-19 capital costs tax credit program (Part E); to amend the tax law and the state finance law, in relation to extending and expanding the New York city musical and theatrical production tax credit and the purposes of the New York state council on the arts cultural programs fund; and to amend subpart B of part PP of chapter 59 of the laws of 2021 amending the tax law and the state finance law relating to establishing the New York city musical and theatrical production tax credit and establishing the New York state council on the arts cultural program fund, in relation to the effectiveness thereof (Part F); to amend the tax law, in relation to establishing a permanent rate for the metropolitan transportation business tax surcharge (Part G); to amend the tax law, in relation to extending and modifying the hire a vet credit (Part H); to amend the tax law, in relation to establishing a tax credit for the conversion from grade no. 6 heating oil usage to biodiesel heating oil and geothermal

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [] is old law to be omitted.

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systems (Part I); to amend the public housing law, in relation to extending the credit against income tax for persons or entities investing in low-income housing (Part J); to amend the tax law, in relation to extending the clean heating fuel credit for three years (Part K); to amend chapter 604 of the laws of 2011 amending the tax law relating to the credit for companies who provide transportation to people with disabilities, in relation to the effectiveness thereof; and to amend the tax law, in relation to the application of a credit for companies who provide transportation to individuals with disabilities (Part L); to amend the tax law, in relation to the empire state film production credit and the empire state film post production credit (Part M); to amend the labor law, in relation to extending the New York youth jobs program tax credit (Part N); to amend the labor law, in relation to extending the empire state apprenticeship tax credit program (Part O); to amend the tax law, in relation to extending the alternative fuels and electric vehicle recharging property credit (Part P); to amend the labor law, in relation to the program period for the workers with disabilities tax credit program; and to amend part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program, in relation to the effectiveness thereof (Part Q); to amend the tax law, in relation to making changes conforming to the federal taxation of S corporations; and to repeal certain provisions of such law relating thereto (Part R); to amend the tax law, in relation to the investment tax credit (Part S); to amend the tax law, in relation to exempting certain fuels used by tugboats and towboats from the petroleum business tax (Part T); to amend the tax law, in relation to the authority of counties to impose sales and compensating use taxes; and to repeal certain provisions of such law relating thereto (Part U); to amend the tax law, in relation to requiring vacation rental marketplace providers collect sales tax (Part V); to amend the tax law in relation to requiring publication of changes in withholding tables and interest rates (Part W); to amend the tax law, in relation to expanding the definition of financial institution under the financial institution data match program (Part X); to amend the real property tax law and chapter 475 of the laws of 2013, relating to assessment ceilings for local public utility mass real property, in relation to extending the assessment ceiling for local public utility mass real property to January 1, 2027 (Part Y); to amend the real property tax law, in relation to good cause refunds for the STAR program (Subpart A); to amend the real property tax law, in relation to moving up the deadline for taxpayers to switch from the STAR exemption to the STAR credit (Subpart B); to amend the tax law, in relation to clarifying the applicable income tax year for the basic STAR credit (Subpart C); to amend the tax law, in relation to allowing names of STAR credit recipients to be shared with assessors outside of New York state (Subpart D); and to amend the tax law and the real property tax law, in relation to allowing decedent reports to be given to assessors and improving the tax enforcement process as it relates to decedents (Subpart E) (Part Z); to amend the real property tax law, in relation to the grievance process with respect to the valuation of solar and wind energy systems (Part AA); to amend the tax law, in relation to establishing a homeowner tax rebate credit (Part BB); to amend the racing, pari-mutuel wagering and breeding law, in relation to gaming facility determinations and licensing (Part CC); to amend the racing, pari-mutuel wagering and breeding law, in relation to

the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds; and to amend chapter 59 of the laws of 2021 amending the racing, pari-mutuel wagering and breeding law, relating to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds, in relation to the effectiveness thereof (Part DD); and to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part EE)

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2022-2023
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through EE. The effective date for each particular
5 provision contained within such Part is set forth in the last section of
6 such Part. Any provision in any section contained within a Part,
7 including the effective date of the Part, which makes a reference to a
8 section "of this act", when used in connection with that particular
9 component, shall be deemed to mean and refer to the corresponding
10 section of the Part in which it is found. Section three of this act sets
11 forth the general effective date of this act.

12 PART A

13 Section 1. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of
14 paragraph 1 of subsection (a) of section 601 of the tax law, clauses
15 (vi), (vii) and (viii) as amended and clause (ix) as added by section 1
16 of part A of chapter 59 of the laws of 2021, are amended to read as
17 follows:

18 (vi) For taxable years beginning in two thousand twenty-three and
19 before two thousand twenty-eight the following rates shall apply:

20 [If the New York taxable income is:	The tax is:
21 Not over \$17,150	4% of the New York taxable income
22 Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
23	\$17,150
24 Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
25	\$23,600
26 Over \$27,900 but not over \$161,550	\$1,202 plus 5.73% of excess over
27	\$27,900
28 Over \$161,550 but not over \$323,200	\$8,860 plus 6.17% of excess over
29	\$161,550
30 Over \$323,200 but not over	\$18,834 plus 6.85% of
31 \$2,155,350	excess over \$323,200

1	Over \$2,155,350 but not over	\$144,336 plus 9.65% of excess over
2	\$5,000,000	\$2,155,350
3	Over \$5,000,000 but not over	\$418,845 plus 10.30% of excess over
4	\$25,000,000	\$5,000,000
5	Over \$25,000,000	\$2,478,845 plus 10.90% of excess over
6		\$25,000,000

7 (vii) For taxable years beginning in two thousand twenty-four the
8 following rates shall apply:

9	If the New York taxable income is:	The tax is:
10	Not over \$17,150	4% of the New York taxable income
11	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
12		\$17,150
13	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
14		\$23,600
15	Over \$27,900 but not over \$161,550	\$1,202 plus 5.61% of excess over
16		\$27,900
17	Over \$161,550 but not over \$323,200	\$8,700 plus 6.09% of excess over
18		\$161,550
19	Over \$323,200 but not over	\$18,544 plus 6.85% of excess over
20	\$2,155,350	\$323,200
21	Over \$2,155,350 but not over	\$144,047 plus 9.65% of excess over
22	\$5,000,000	\$2,155,350
23	Over \$5,000,000 but not over	\$418,555 plus 10.30% of excess over
24	\$25,000,000	\$5,000,000
25	Over \$25,000,000	\$2,478,555 plus 10.90% of excess over
26		\$25,000,000

27 (viii) For taxable years beginning after two thousand twenty-four and
28 before two thousand twenty-eight the following rates shall apply:]

29	If the New York taxable income is:	The tax is:
30	Not over \$17,150	4% of the New York taxable income
31	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
32		\$17,150
33	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
34		\$23,600
35	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
36		\$27,900
37	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess over
38		\$161,550
39	Over \$323,200 but not over	\$18,252 plus 6.85% of excess over
40	\$2,155,350	\$323,200
41	Over \$2,155,350 but not over	\$143,754 plus 9.65% of excess over
42	\$5,000,000	\$2,155,350
43	Over \$5,000,000 but not over	\$418,263 plus 10.30% of excess over
44	\$25,000,000	\$5,000,000
45	Over \$25,000,000	\$2,478,263 plus 10.90% of excess over
46		\$25,000,000

47 [(ix)](vii) For taxable years beginning after two thousand twenty-sev-
48 en the following rates shall apply:

49	If the New York taxable income is:	The tax is:
50	Not over \$17,150	4% of the New York taxable income
51	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
52		\$17,150
53	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
54		\$23,600
55	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over

1		\$27,900
2	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess
3		over \$161,550
4	Over \$323,200 but not over	\$18,252 plus 6.85% of excess
5	\$2,155,350	over \$323,200
6	Over \$2,155,350	\$143,754 plus 8.82% of excess
7		over \$2,155,350

8 § 2. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of para-
 9 graph 1 of subsection (b) of section 601 of the tax law, clauses (vi),
 10 (vii) and (viii) as amended and clause (ix) as added by section 2 of
 11 part A of chapter 59 of the laws of 2021, are amended to read as
 12 follows:

13 (vi) For taxable years beginning in two thousand twenty-three and
 14 before two thousand twenty-eight the following rates shall apply:

15	[If the New York taxable income is:	The tax is:
16	Not over \$12,800	4% of the New York taxable income
17	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
18		\$12,800
19	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
20		\$17,650
21	Over \$20,900 but not over \$107,650	\$901 plus 5.73% of excess over
22		\$20,900
23	Over \$107,650 but not over \$269,300	\$5,872 plus 6.17% of excess over
24		\$107,650
25	Over \$269,300 but not over	\$15,845 plus 6.85% of excess
26	\$1,616,450	over \$269,300
27	Over \$1,616,450 but not over	\$108,125 plus 9.65% of excess over
28	\$5,000,000	\$1,616,450
29	Over \$5,000,000 but not over	\$434,638 plus 10.30% of excess over
30	\$25,000,000	\$5,000,000
31	Over \$25,000,000	\$2,494,638 plus 10.90% of excess over
32		\$25,000,000

33 (vii) For taxable years beginning in two thousand twenty-four the
 34 following rates shall apply:

35	If the New York taxable income is:	The tax is:
36	Not over \$12,800	4% of the New York taxable income
37	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
38		\$12,800
39	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
40		\$17,650
41	Over \$20,900 but not over \$107,650	\$901 plus 5.61% of excess over
42		\$20,900
43	Over \$107,650 but not over \$269,300	\$5,768 plus 6.09% of excess over
44		\$107,650
45	Over \$269,300 but not over	\$15,612 plus 6.85% of excess
46	\$1,616,450	over \$269,300
47	Over \$1,616,450 but not over	\$107,892 plus 9.65% of excess over
48	\$5,000,000	\$1,616,450
49	Over \$5,000,000 but not over	\$434,404 plus 10.30% of excess over
50	\$25,000,000	\$5,000,000
51	Over \$25,000,000	\$2,494,404 plus 10.90% of excess over
52		\$25,000,000

53 (viii) For taxable years beginning after two thousand twenty-four and
 54 before two thousand twenty-eight the following rates shall apply:]

1	If the New York taxable income is:	The tax is:
2	Not over \$12,800	4% of the New York taxable income
3	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
4		\$12,800
5	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
6		\$17,650
7	Over \$20,900 but not over \$107,650	\$901 plus 5.5% of excess over
8		\$20,900
9	Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over
10		\$107,650
11	Over \$269,300 but not over	\$15,371 plus 6.85% of excess over
12	\$1,616,450	\$269,300
13	Over \$1,616,450 but not over	\$107,651 plus 9.65% of excess over
14	\$5,000,000	\$1,616,450
15	Over \$5,000,000 but not over	\$434,163 plus 10.30% of excess over
16	\$25,000,000	\$5,000,000
17	Over \$25,000,000	\$2,494,163 plus 10.90% of excess over
18		\$25,000,000

19 [(ix)](vii) For taxable years beginning after two thousand twenty-sev-
 20 en the following rates shall apply:

21	If the New York taxable income is:	The tax is:
22	Not over \$12,800	4% of the New York taxable income
23	Over \$12,800 but not over	\$512 plus 4.5% of excess over
24	\$17,650	\$12,800
25	Over \$17,650 but not over	\$730 plus 5.25% of excess over
26	\$20,900	\$17,650
27	Over \$20,900 but not over	\$901 plus 5.5% of excess over
28	\$107,650	\$20,900
29	Over \$107,650 but not over	\$5,672 plus 6.00% of excess
30	\$269,300	over \$107,650
31	Over \$269,300 but not over	\$15,371 plus 6.85% of excess
32	\$1,616,450	over \$269,300
33	Over \$1,616,450	\$107,651 plus 8.82% of excess
34		over \$1,616,450

35 § 3. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of para-
 36 graph 1 of subsection (c) of section 601 of the tax law, clauses (vi),
 37 (vii) and (viii) as amended, and clause (ix) as added by section 3 of
 38 part A of chapter 59 of the laws of 2021, are amended to read as
 39 follows:

40 (vi) For taxable years beginning in two thousand twenty-three and
 41 before two thousand twenty-eight the following rates shall apply:

42	[If the New York taxable income is:	The tax is:
43	Not over \$8,500	4% of the New York taxable income
44	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
45		\$8,500
46	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
47		\$11,700
48	Over \$13,900 but not over \$80,650	\$600 plus 5.73% of excess over
49		\$13,900
50	Over \$80,650 but not over \$215,400	\$4,424 plus 6.17% of excess over
51		\$80,650
52	Over \$215,400 but not over	\$12,738 plus 6.85% of excess
53	\$1,077,550	over \$215,400
54	Over \$1,077,550 but not over	\$71,796 plus 9.65% of excess over

1	\$5,000,000	\$1,077,550
2	Over \$5,000,000 but not over	\$450,312 plus 10.30% of excess over
3	\$25,000,000	\$5,000,000
4	Over \$25,000,000	\$2,510,312 plus 10.90% of excess over
5		\$25,000,000
6	(vii) For taxable years beginning in two thousand twenty-four the	
7	following rates shall apply:	
8	If the New York taxable income is:	The tax is:
9	Not over \$8,500	4% of the New York taxable income
10	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
11		\$8,500
12	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
13		\$11,700
14	Over \$13,900 but not over \$80,650	\$600 plus 5.61% of excess over
15		\$13,900
16	Over \$80,650 but not over \$215,400	\$4,344 plus 6.09% of excess over
17		\$80,650
18	Over \$215,400 but not over	\$12,550 plus 6.85% of excess
19	\$1,077,550	over \$215,400
20	Over \$1,077,550 but not over	\$71,608 plus 9.65% of excess over
21	\$5,000,000	\$1,077,550
22	Over \$5,000,000 but not over	\$450,124 plus 10.30% of excess over
23	\$25,000,000	\$5,000,000
24	Over \$25,000,000	\$2,510,124 plus 10.90% of excess over
25		\$25,000,000
26	(viii) For taxable years beginning after two thousand twenty-four and	
27	before two thousand twenty-eight the following rates shall apply:]	
28	If the New York taxable income is:	The tax is:
29	Not over \$8,500	4% of the New York taxable income
30	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
31		\$8,500
32	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
33		\$11,700
34	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
35		\$13,900
36	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess over
37		\$80,650
38	Over \$215,400 but not over	\$12,356 plus 6.85% of excess over
39	\$1,077,550	\$215,400
40	Over \$1,077,550 but not over	\$71,413 plus 9.65% of excess over
41	\$5,000,000	\$1,077,550
42	Over \$5,000,000 but not over	\$449,929 plus 10.30% of excess over
43	\$25,000,000	\$5,000,000
44	Over \$25,000,000	\$2,509,929 plus 10.90% of excess over
45		\$25,000,000
46	[(ix)](vii) For taxable years beginning after two thousand twenty-sev-	
47	en the following rates shall apply:	
48	If the New York taxable income is:	The tax is:
49	Not over \$8,500	4% of the New York taxable income
50	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
51		\$8,500
52	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
53		\$11,700
54	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
55		\$13,900
56	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess



1		over \$80,650
2	Over \$215,400 but not over	\$12,356 plus 6.85% of excess
3	\$1,077,550	over \$215,400
4	Over \$1,077,550	\$71,413 plus 8.82% of excess
5		over \$1,077,550

6 § 4. This act shall take effect immediately.

7 PART B

8 Section 1. This act enacts into law components of legislation relating
9 to certain tax credits. Each component is wholly contained within a
10 Subpart identified as Subparts A through C. The effective date for each
11 particular provision contained within such Subpart is set forth in the
12 last section of such Subpart. Any provision in any section contained
13 within a Subpart, including the effective date of the Subpart, which
14 makes reference to a section "of this act", when used in connection with
15 that particular component, shall be deemed to mean and refer to the
16 corresponding section of the Subpart in which it is found. Section three
17 of this act sets forth the general effective date of this act.

18 SUBPART A

19 Section 1. Subdivision 1 of section 210-B of the tax law is amended by
20 adding a new paragraph (a-1) to read as follows:

21 (a-1) For a taxpayer that is an eligible farmer, as defined in subdivi-
22 vision eleven of this section, the percentage to be used to compute the
23 credit allowed under this subdivision shall be twenty percent for prop-
24 erty described in subparagraph (i) of paragraph (b) of this subdivision
25 that is principally used by the taxpayer in the production of goods by
26 farming, agriculture, horticulture, floriculture or viticulture.

27 § 2. Subsection (a) of section 606 of the tax law is amended by adding
28 a new paragraph 1-a to read as follows:

29 (1-a) For a taxpayer that is an eligible farmer, as defined in
30 subsection (n) of this section, the percentage to be used to compute the
31 credit allowed under this subsection shall be twenty percent for proper-
32 ty described in subparagraph (A) of paragraph two of this subsection
33 that is principally used by the taxpayer in the production of goods by
34 farming, agriculture, horticulture, floriculture or viticulture.

35 § 3. This act shall take effect immediately and apply to property
36 placed in service on or after April 1, 2022.

37 SUBPART B

38 Section 1. Subsection (e) of section 42 of the tax law, as amended by
39 section 1 of part FF of chapter 59 of the laws of 2021, is amended to
40 read as follows:

41 (e) For taxable years beginning on or after January first, two thou-
42 sand seventeen and before January first, two thousand eighteen, the
43 amount of the credit allowed under this section shall be equal to the
44 product of the total number of eligible farm employees and two hundred
45 fifty dollars. For taxable years beginning on or after January first,
46 two thousand eighteen and before January first, two thousand nineteen,
47 the amount of the credit allowed under this section shall be equal to
48 the product of the total number of eligible farm employees and three
49 hundred dollars. For taxable years beginning on or after January first,

1 two thousand nineteen and before January first, two thousand twenty, the
2 amount of the credit allowed under this section shall be equal to the
3 product of the total number of eligible farm employees and five hundred
4 dollars. For taxable years beginning on or after January first, two
5 thousand twenty and before January first, two thousand twenty-one, the
6 amount of the credit allowed under this section shall be equal to the
7 product of the total number of eligible farm employees and four hundred
8 dollars. For taxable years beginning on or after January first, two
9 thousand twenty-one and before January first, two thousand [twenty-five]
10 ~~twenty-six~~, the amount of the credit allowed under this section shall be
11 equal to the product of the total number of eligible farm employees and
12 [six] ~~twelve~~ hundred dollars.

13 § 2. Section 5 of part RR of chapter 60 of the laws of 2016 amending
14 the tax law relating to creating a farm workforce retention credit, as
15 amended by section 2 of part FF of chapter 59 of the laws of 2021, is
16 amended to read as follows:

17 § 5. This act shall take effect immediately and shall apply only to
18 taxable years beginning on or after January 1, 2017 and before January
19 1, [2025] ~~2026~~.

20 § 3. This act shall take effect immediately.

21

SUBPART C

22 Section 1. Subdivision (f) of section 42 of the tax law, as added by
23 section 1 of part RR of chapter 60 of the laws of 2016, is amended to
24 read as follows:

25 (f) A taxpayer claiming the credit allowed under this section shall
26 not be allowed to claim any other tax credit allowed under this chapter,
27 except the credit allowed under section forty-two-a of this article,
28 with respect to any eligible farm employee included in the total number
29 of eligible farm employees used to determine the amount of the credit
30 allowed under this section.

31 § 2. The tax law is amended by adding a new section 42-a to read as
32 follows:

33 § 42-a. Farm employer overtime credit. (a) Notwithstanding subdivision
34 (f) of section forty-two of this article, a taxpayer that is a farm
35 employer or an owner of a farm employer shall be eligible for a credit
36 against the tax imposed under article nine-A or twenty-two of this chap-
37 ter, pursuant to the provisions referenced in subdivision (h) of this
38 section.

39 (b) A farm employer is a corporation (including a New York S corpo-
40 ration), a sole proprietorship, a limited liability company or a part-
41 nership that is an eligible farmer.

42 (c) For purposes of this section, the term "eligible farmer" means a
43 taxpayer whose federal gross income from farming as defined in
44 subsection (n) of section six hundred six of this chapter for the taxa-
45 ble year is at least two-thirds of excess federal gross income. Excess
46 federal gross income means the amount of federal gross income from all
47 sources for the taxable year in excess of thirty thousand dollars. For
48 purposes of this section, payments from the state's farmland protection
49 program, administered by the department of agriculture and markets,
50 shall be included as federal gross income from farming for otherwise
51 eligible farmers.

52 (d) An eligible farm employee is an individual who meets the defi-
53 inition of a "farm laborer" under section two of the labor law who is

1 employed by a farm employer in New York state, but excluding general
 2 executive officers of the farm employer.

3 (e) Eligible overtime is the aggregate number of hours of work
 4 performed during the taxable year by an eligible farm employee that in
 5 any calendar week exceeds the overtime work threshold set by the commis-
 6 sioner of labor pursuant to the recommendation of the farm laborers wage
 7 board, provided that work performed in such calendar week in excess of
 8 sixty hours shall not be included.

9 (f) Special rules. If more than fifty percent of such eligible farm-
 10 er's federal gross income from farming is from the sale of wine from a
 11 licensed farm winery as provided for in article six of the alcoholic
 12 beverage control law, or from the sale of cider from a licensed farm
 13 ciderly as provided for in section fifty-eight-c of the alcoholic bever-
 14 age control law, then an eligible farm employee of such eligible farmer
 15 shall be included for purposes of calculating the amount of credit
 16 allowed under this section only if such eligible farm employee is
 17 employed by such eligible farmer on qualified agricultural property as
 18 defined in paragraph four of subsection (n) of section six hundred six
 19 of this chapter.

20 (g) The amount of the credit allowed under this section shall be equal
 21 to the aggregate amount of such credit allowed per eligible farm employ-
 22 ee, as follows. The amount of the credit allowed per eligible farm
 23 employee shall be equal to the product of (i) the eligible overtime
 24 worked during the taxable year by the eligible farm employee and (ii)
 25 the overtime rate paid by the farm employer to the eligible farm employ-
 26 ee less such employee's regular rate of pay.

27 (h) Cross references: For application of the credit provided in this
 28 section, see the following provisions of this chapter:

29 (1) Article 9-A: Section 210-B, subdivision 58.

30 (2) Article 22: Section 606, subsection (nnn).

31 § 3. Section 210-B of the tax law is amended by adding a new subdivi-
 32 sion 58 to read as follows:

33 58. Farm employer overtime credit. (a) Allowance of credit. A taxpay-
 34 er shall be allowed a credit, to be computed as provided in section
 35 forty-two-a of this chapter, against the tax imposed by this article.

36 (b) Application of credit. The credit allowed under this subdivision
 37 for any taxable year shall not reduce the tax due for such year to less
 38 than the amount prescribed in paragraph (d) of subdivision one of
 39 section two hundred ten of this article. However, if the amount of cred-
 40 it allowed under this subdivision for any taxable year reduces the tax
 41 to such amount or if the taxpayer otherwise pays tax based on the fixed
 42 dollar minimum amount, any amount of credit thus not deductible in such
 43 taxable year shall be treated as an overpayment of tax to be credited or
 44 refunded in accordance with the provisions of section one thousand
 45 eighty-six of this chapter. Provided, however, the provisions of
 46 subsection (c) of section one thousand eighty-eight of this chapter
 47 notwithstanding, no interest shall be paid thereon.

48 § 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
 49 of the tax law is amended by adding a new clause (xlix) to read as
 50 follows:

51 <u>(xlix) Farm employer overtime</u>	<u>Amount of credit under</u>
52 <u>credit under subsection (nnn)</u>	<u>subdivision fifty-eight of</u>
53	<u>section two hundred ten-B</u>

54 § 5. Section 606 of the tax law is amended by adding a new subsection
 55 (nnn) to read as follows:

1 (nnn) Farm employer overtime credit. (1) A taxpayer shall be allowed a
2 credit, to be computed as provided in section forty-two-a of this chap-
3 ter, against the tax imposed by this article.

4 (2) Application of credit. If the amount of credit allowed under this
5 subsection for any taxable year exceeds the taxpayer's tax for such
6 year, the excess shall be treated as an overpayment of tax to be credit-
7 ed or refunded in accordance with the provision of section six hundred
8 eighty-six of this article, provided, however, that no interest shall be
9 paid thereon.

10 § 6. This act shall take effect immediately and shall apply to taxable
11 years beginning on or after January 1, 2022.

12 § 2. This act shall take effect immediately provided, however, that
13 the applicable effective date of Subparts A through C of this act shall
14 be as specifically set forth in the last section of such Subparts.

15 PART C

16 Section 1. Paragraph 39 of subsection (c) of section 612 of the tax
17 law, as added by section 1 of part Y of chapter 59 of the laws of 2013,
18 is amended to read as follows:

19 (39) (A) In the case of a taxpayer who is a small business or a
20 taxpayer who is a member, partner, or shareholder of a limited liability
21 company, partnership, or New York S corporation, respectively, that is a
22 small business, who or which has business income and/or farm income as
23 defined in the laws of the United States, an amount equal to [three]
24 fifteen percent of the net items of income, gain, loss and deduction
25 attributable to such business or farm entering into federal adjusted
26 gross income, but not less than zero[, for taxable years beginning after
27 two thousand thirteen, an amount equal to three and three-quarters
28 percent of the net items of income, gain, loss and deduction attribut-
29 able to such business or farm entering into federal adjusted gross
30 income, but not less than zero, for taxable years beginning after two
31 thousand fourteen, and an amount equal to five percent of the net items
32 of income, gain, loss and deduction attributable to such business or
33 farm entering into federal adjusted gross income, but not less than
34 zero, for taxable years beginning after two thousand fifteen].

35 (B) (i) For the purposes of this paragraph, the term small business
36 shall mean: (I) a sole proprietor [or a farm business] who employs one
37 or more persons during the taxable year and who has net business income
38 or net farm income of greater than zero but less than two hundred fifty
39 thousand dollars;

40 (II) a limited liability company, partnership, or New York S corpo-
41 ration that during the taxable year employs one or more persons and has
42 net farm income attributable to a farm business that is greater than
43 zero but less than two hundred fifty thousand dollars; or

44 (III) a limited liability company, partnership, or New York S corpo-
45 ration that during the taxable year employs one or more persons and has
46 New York gross business income attributable to a non-farm business that
47 is greater than zero but less than one million five hundred thousand
48 dollars.

49 (ii) For purposes of this paragraph, the term New York gross business
50 income shall mean: (I) in the case of a limited liability company or a
51 partnership, New York source gross income as defined in subparagraph (B)
52 of paragraph three of subsection (c) of section six hundred fifty-eight
53 of this article; and (II) in the case of a New York S corporation, New
54 York receipts included in the numerator of the apportionment factor

1 determined under section two hundred ten-A of this chapter for the tax-
2 able year.

3 (C) To qualify for this modification in relation to a non-farm small
4 business that is a limited liability company, partnership, or New York S
5 corporation, the taxpayer's income attributable to the net business
6 income from its ownership interests in non-farm limited liability compa-
7 nies, partnerships, or New York S corporations must be less than two
8 hundred fifty thousand dollars.

9 § 2. Paragraph 35 of subdivision (c) of section 11-1712 of the admin-
10 istrative code of the city of New York, as added by section 2 of part Y
11 of chapter 59 of the laws of 2013, is amended to read as follows:

12 (35) (A) In the case of a taxpayer who is a small business or a
13 taxpayer who is a member, partner, or shareholder of a limited liability
14 company, partnership, or New York S corporation, respectively, that is a
15 small business, who or which has business income and/or farm income as
16 defined in the laws of the United States, an amount equal to [three]
17 fifteen percent of the net items of income, gain, loss and deduction
18 attributable to such business or farm entering into federal adjusted
19 gross income, but not less than zero[, for taxable years beginning after
20 two thousand thirteen, an amount equal to three and three-quarters
21 percent of the net items of income, gain, loss and deduction attribut-
22 able to such business or farm entering into federal adjusted gross
23 income, but not less than zero, for taxable years beginning after two
24 thousand fourteen, and an amount equal to five percent of the net items
25 of income, gain, loss and deduction attributable to such business or
26 farm entering into federal adjusted gross income, but not less than
27 zero, for taxable years beginning after two thousand fifteen].

28 (B) (i) For the purposes of this paragraph, the term small business
29 shall mean: (I) a sole proprietor [or a farm business] who employs one
30 or more persons during the taxable year and who has net business income
31 or net farm income of greater than zero but less than two hundred fifty
32 thousand dollars;

33 (II) a limited liability company, partnership, or New York S corpo-
34 ration that during the taxable year employs one or more persons and has
35 net farm income that is greater than zero but less than two hundred
36 fifty thousand dollars; or

37 (III) a limited liability company, partnership, or New York S corpo-
38 ration that during the taxable year employs one or more persons and has
39 New York gross business income attributable to a non-farm business that
40 is greater than zero but less than one million five hundred thousand
41 dollars.

42 (ii) For purposes of this paragraph, the term New York gross business
43 income shall mean: (I) in the case of a limited liability company or a
44 partnership, New York source gross income as defined in subparagraph (b)
45 or paragraph three of subsection (c) of section six hundred fifty-eight
46 of the tax law, and, (II) in the case of a New York S corporation, New
47 York receipts included in the numerator of the apportionment factor
48 determined under section two hundred ten-A of the tax law for the tax-
49 able year.

50 (C) To qualify for this modification in relation to a non-farm small
51 business that is a limited liability company, partnership, or New York S
52 corporation, the taxpayer's income attributable to the net business
53 income from its ownership interests in non-farm limited liability compa-
54 nies, partnerships, or New York S corporations must be less than two
55 hundred fifty thousand dollars.

1 § 3. This act shall take effect immediately and shall apply to taxable
2 years beginning on or after January 1, 2022.

3

PART D

4 Section 1. Subsection (c) of section 612 of the tax law is amended
5 by adding a new paragraph 46 to read as follows:

6 (46) The amount of any student loan forgiveness award made pursuant to
7 a program established under article fourteen of the education law to the
8 extent included in federal adjusted gross income.

9 § 2. This act shall take effect immediately and shall apply to tax
10 years beginning on or after January 1, 2022.

11

PART E

12 Section 1. The economic development law is amended by adding a new
13 article 26 to read as follows:

14

ARTICLE 26

15

COVID-19 CAPITAL COSTS TAX CREDIT PROGRAM

16

Section 480. Short title.

17

481. Statement of legislative findings and declaration.

18

482. Definitions.

19

483. Eligibility criteria.

20

484. Application and approval process.

21

485. COVID-19 capital costs tax credit.

22

486. Powers and duties of the commissioner.

23

487. Maintenance of records.

24

488. Cap on tax credit.

25

§ 480. Short title. This article shall be known and may be cited as
26 the "COVID-19 capital costs tax credit program act".

27

§ 481. Statement of legislative findings and declaration. It is hereby
28 found and declared that New York state needs, as a matter of public
29 policy, to provide critical assistance to small businesses to comply
30 with public health or other emergency orders or regulations, and to take
31 infectious disease mitigation measures related to the COVID-19 pandemic.
32 The COVID-19 capital costs tax credit program is created to provide
33 financial assistance to economically harmed businesses to offer relief
34 and reduce the duration and severity of the current economic difficul-
35 ties.

36

§ 482. Definitions. For the purposes of this article:

37

1. "Certificate of tax credit" means the document issued to a business
38 entity by the department after the department has verified that the
39 business entity has met all applicable eligibility criteria in this
40 article. The certificate shall specify the exact amount of the tax cred-
41 it under this article that a business entity may claim, pursuant to
42 section four hundred eighty-five of this article.

43

2. "Commissioner" shall mean commissioner of the department of econom-
44 ic development.

45

3. "Department" shall mean the department of economic development.

46

4. "Qualified COVID-19 capital costs" shall mean costs incurred from
47 January first, two thousand twenty-one through December thirty-first,
48 two thousand twenty-two at a business location in New York state to
49 comply with public health or other emergency orders or regulations
50 related to the COVID-19 pandemic, or to generally increase safety
51 through infectious disease mitigation, including costs for: (i) supplies
52 to disinfect and/or protect against COVID-19 transmission; (ii) restock-



1 ing of perishable goods to replace those lost during the COVID-19
2 pandemic; (iii) physical barriers and sneeze guards; (iv) hand sanitizer
3 stations; (v) respiratory devices such as air purifier systems installed
4 at the business entity's location; (vi) signage related to the COVID-19
5 pandemic including, but not limited to, signage detailing vaccine and
6 masking requirements, and social distancing; (vii) materials required to
7 define and/or protect space such as barriers; (viii) materials needed to
8 block off certain seats to allow for social distancing; (ix) certain
9 point of sale payment equipment to allow for contactless payment; (x)
10 equipment and/or materials and supplies for new product lines in
11 response to the COVID-19 pandemic; (xi) software for online payment
12 platforms to enable delivery or contactless purchases; (xii) building
13 construction and retrofits to accommodate social distancing and instal-
14 lation of air purifying equipment but not for costs for non-COVID-19
15 pandemic related capital renovations or general "closed for renovations"
16 upgrades; (xiii) machinery and equipment to accommodate contactless
17 sales; (xiv) materials to accommodate increased outdoor activity such as
18 heat lamps, outdoor lighting, and materials related to outdoor space
19 expansions; and (xv) other costs as determined by the department to be
20 eligible under this section; provided, however, that "qualified COVID-19
21 capital costs" do not include any cost paid for with other COVID-19
22 grant funds as determined by the commissioner.

23 § 483. Eligibility criteria. 1. To be eligible for a tax credit under
24 the COVID-19 capital costs tax credit program, a business entity must:

25 (a) be a small business as defined in section one hundred thirty-one
26 of this chapter and have two million five hundred thousand dollars or
27 less of gross receipts in the taxable year that includes December thir-
28 ty-first, two thousand twenty-one; and

29 (b) operate a business location in New York state.

30 2. A business entity must be in substantial compliance with any public
31 health or other emergency orders or regulations related to the entity's
32 business sector or other laws and regulations as determined by the
33 commissioner. In addition, a business entity may not owe past due state
34 taxes or local property taxes unless the business entity is making
35 payments and complying with an approved binding payment agreement
36 entered into with the taxing authority.

37 § 484. Application and approval process. 1. A business entity must
38 submit a complete application as prescribed by the commissioner.

39 2. The commissioner shall establish procedures and a timeframe for
40 business entities to submit applications. As part of the application,
41 each business entity must:

42 (a) provide evidence in a form and manner prescribed by the commis-
43 sioner of their business eligibility;

44 (b) agree to allow the department of taxation and finance to share the
45 business entity's tax information with the department. However, any
46 information shared as a result of this program shall not be available
47 for disclosure or inspection under the state freedom of information law;

48 (c) allow the department and its agents access to any and all books
49 and records the department may require to monitor compliance;

50 (d) certify, under penalty of perjury, that it is in substantial
51 compliance with all emergency orders or public health regulations
52 currently required of such entity, and local, and state tax laws;

53 (e) certify, under penalty of perjury, that it did not include any
54 cost paid for with other COVID-19 grant funds as determined by the
55 commissioner in its application for a tax credit under the COVID-19
56 capital costs tax credit program; and

1 (f) agree to provide any additional information required by the
2 department relevant to this article.

3 3. After reviewing a business entity's completed final application and
4 determining that the business entity meets the eligibility criteria as
5 set forth in this article, the department may issue to that business
6 entity a certificate of tax credit.

7 4. The business entity must submit its application by March thirty-
8 first, two thousand twenty-three.

9 § 485. COVID-19 capital costs tax credit. 1. A business entity in the
10 COVID-19 capital costs tax credit program that meets the eligibility
11 requirements of section four hundred eighty-three of this article may be
12 eligible to claim a credit equal to fifty percent of its qualified
13 COVID-19 capital costs as defined in subdivision four of section four
14 hundred eighty-two of this article.

15 2. A business entity, including a partnership, limited liability
16 company and subchapter S corporation, may not receive in excess of twen-
17 ty-five thousand dollars under this program.

18 3. The credit shall be allowed as provided in section forty-seven,
19 subdivision fifty-eight of section two hundred ten-B and subsection
20 (nnn) of section six hundred six of the tax law.

21 4. A business entity may claim the tax credit in the taxable year that
22 includes the date the certificate of tax credit was issued by the
23 department pursuant to subdivision three of section four hundred eight-
24 y-four of this article.

25 § 486. Powers and duties of the commissioner. 1. The commissioner may
26 promulgate regulations establishing an application process and eligibil-
27 ity criteria, that will be applied consistent with the purposes of this
28 article, so as not to exceed the annual cap on tax credits set forth in
29 section four hundred eighty-eight of this article which, notwithstanding
30 any provisions to the contrary in the state administrative procedure
31 act, may be adopted on an emergency basis.

32 2. The commissioner shall, in consultation with the department of
33 taxation and finance, develop a certificate of tax credit that shall be
34 issued by the commissioner to eligible businesses. Such certificate
35 shall contain such information as required by the department of taxation
36 and finance.

37 3. The commissioner shall solely determine the eligibility of any
38 applicant applying for entry into the program and shall remove any busi-
39 ness entity from the program for failing to meet any of the requirements
40 set forth in section four hundred eighty-three of this article, or for
41 failing to meet the requirements set forth in subdivision one of section
42 four hundred eighty-four of this article.

43 § 487. Maintenance of records. Each business entity participating in
44 the program shall keep all relevant records for their duration of
45 program participation for at least three years.

46 § 488. Cap on tax credit. The total amount of tax credits listed on
47 certificates of tax credit issued by the commissioner pursuant to this
48 article may not exceed two hundred fifty million dollars.

49 § 2. The tax law is amended by adding a new section 47 to read as
50 follows:

51 § 47. COVID-19 capital costs tax credit. (a) Allowance of credit. A
52 taxpayer subject to tax under article nine-A or twenty-two of this chap-
53 ter shall be allowed a credit against such tax, pursuant to the
54 provisions referenced in subdivision (f) of this section. The amount of
55 the credit is equal to the amount determined pursuant to section four
56 hundred eighty-five of the economic development law. No cost or expense

1 paid or incurred by the taxpayer which is included as part of the calcu-
2 lation of this credit shall be the basis of any other tax credit allowed
3 under this chapter.

4 (b) Eligibility. To be eligible for the COVID-19 capital costs tax
5 credit, the taxpayer shall have been issued a certificate of tax credit
6 by the department of economic development pursuant to subdivision three
7 of section four hundred eighty-four of the economic development law,
8 which certificate shall set forth the amount of the credit that may be
9 claimed for the taxable year. The taxpayer shall be allowed to claim
10 only the amount listed on the certificate of tax credit for that taxable
11 year. A taxpayer that is a partner in a partnership, member of a limited
12 liability company or shareholder in a subchapter S corporation that has
13 received a certificate of tax credit shall be allowed its pro rata share
14 of the credit earned by the partnership, limited liability company or
15 subchapter S corporation.

16 (c) Tax return requirement. The taxpayer shall be required to attach
17 to its tax return in the form prescribed by the commissioner, proof of
18 receipt of its certificate of tax credit issued by the commissioner of
19 the department of economic development.

20 (d) Information sharing. Notwithstanding any provision of this chap-
21 ter, employees of the department of economic development and the depart-
22 ment shall be allowed and are directed to share and exchange:

23 (1) information derived from tax returns or reports that is relevant
24 to a taxpayer's eligibility to participate in the COVID-19 capital costs
25 tax credit program;

26 (2) information regarding the credit applied for, allowed or claimed
27 pursuant to this section and taxpayers that are applying for the credit
28 or that are claiming the credit; and

29 (3) information contained in or derived from credit claim forms
30 submitted to the department and applications for admission into the
31 COVID-19 capital costs tax credit program. Except as provided in para-
32 graph two of this subdivision, all information exchanged between the
33 department of economic development and the department shall not be
34 subject to disclosure or inspection under the state's freedom of infor-
35 mation law.

36 (e) Credit recapture. If a certificate of tax credit issued by the
37 department of economic development under article twenty-six of the
38 economic development law is revoked by such department, the amount of
39 credit described in this section and claimed by the taxpayer prior to
40 that revocation shall be added back to tax in the taxable year in which
41 any such revocation becomes final.

42 (f) Cross references. For application of the credit provided for in
43 this section, see the following provisions of this chapter:

44 (1) article 9-A: section 210-B, subdivision 58;

45 (2) article 22: section 606, subsection (nnn).

46 § 3. Section 210-B of the tax law is amended by adding a new subdivi-
47 sion 58 to read as follows:

48 58. COVID-19 capital costs tax credit. (a) Allowance of credit. A
49 taxpayer shall be allowed a credit, to be computed as provided in
50 section forty-seven of this chapter, against the taxes imposed by this
51 article.

52 (b) Application of credit. The credit allowed under this subdivision
53 for the taxable year shall not reduce the tax due for such year to less
54 than the amount prescribed in paragraph (d) of subdivision one of
55 section two hundred ten of this article. However, if the amount of cred-
56 it allowed under this subdivision for the taxable year reduces the tax

1 to such amount or if the taxpayer otherwise pays tax based on the fixed
2 dollar minimum amount, any amount of credit thus not deductible in such
3 taxable year shall be treated as an overpayment of tax to be credited or
4 refunded in accordance with the provisions of section one thousand
5 eighty-six of this chapter. Provided, however, the provisions of
6 subsection (c) of section one thousand eighty-eight of this chapter
7 notwithstanding, no interest will be paid thereon.

8 § 4. Section 606 of the tax law is amended by adding a new subsection
9 (nnn) to read as follows:

10 (nnn) COVID-19 capital costs tax credit. (1) Allowance of credit. A
11 taxpayer shall be allowed a credit, to be computed as provided in
12 section forty-seven of this chapter, against the tax imposed by this
13 article.

14 (2) Application of credit. If the amount of the credit allowed under
15 this subsection for the taxable year exceeds the taxpayer's tax for such
16 year, the excess shall be treated as an overpayment of tax to be credit-
17 ed or refunded in accordance with the provisions of section six hundred
18 eighty-six of this article, provided, however, that no interest will be
19 paid thereon.

20 § 5. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
21 of the tax law is amended by adding a new clause (xlix) to read as
22 follows:

23 <u>(xlix) COVID-19 capital costs</u>	<u>Amount of credit under</u>
24 <u>tax credit under subsection (nnn)</u>	<u>subdivision 58 of</u>
	25 <u>section two hundred ten-B</u>

26 § 6. This act shall take effect immediately.

27 PART F

28 Section 1. Paragraph 2 of subdivision (a) of section 24-c of the tax
29 law, as added by section 1 of subpart B of part PP of chapter 59 of the
30 laws of 2021, is amended to read as follows:

31 (2) The amount of the credit shall be the product (or pro rata share
32 of the product, in the case of a member of a partnership) of twenty-five
33 percent and the sum of the qualified production expenditures paid for
34 during the qualified New York city musical and theatrical production's
35 credit period. Provided however that the amount of the credit cannot
36 exceed three million dollars per qualified New York city musical and
37 theatrical production for productions whose first performance is [during
38 the first year in which applications are accepted] prior to January
39 first, two thousand twenty-three. For productions whose first perform-
40 ance is [during the second year in which applications are accepted] on
41 or after January first, two thousand twenty-three, such cap shall
42 decrease to one million five hundred thousand dollars per qualified New
43 York city musical and theatrical production unless the New York city
44 tourism economy has not sufficiently recovered, as determined by the
45 department of economic development in consultation with the division of
46 the budget. In determining whether the New York city tourism economy has
47 sufficiently recovered, the department of economic development will
48 perform an analysis of key New York city economic indicators which shall
49 include, but not be limited to, hotel occupancy rates and travel
50 metrics. The department of economic development's analysis shall also be
51 informed by the status of any remaining COVID-19 restrictions affecting
52 New York city musical and theatrical productions. In no event shall a
53 qualified New York city musical and theatrical production be eligible
54 for more than one credit under this program.

1 § 2. Subparagraph (i) of paragraph 5 of subdivision (b) of section
2 24-c of the tax law, as added by section 1 of subpart B of part PP of
3 chapter 59 of the laws of 2021, is amended to read as follows:

4 (i) "The credit period of a qualified New York city musical and theat-
5 rical production company" is the period starting on the production start
6 date and ending on the earlier of the date the qualified musical and
7 theatrical production has expended sufficient qualified production
8 expenditures to reach its credit cap, [March thirty-first] September
9 thirtieth, two thousand twenty-three or the date the qualified musical
10 and theatrical production closes.

11 § 3. Paragraph 1 of subdivision (f) of section 24-c of the tax law, as
12 added by section 1 of subpart B of part PP of chapter 59 of the laws of
13 2021, is amended to read as follows:

14 (1) The aggregate amount of tax credits allowed under this section,
15 subdivision fifty-seven of section two hundred ten-B and subsection
16 (mmm) of section six hundred six of this chapter shall be [one] two
17 hundred million dollars. Such aggregate amount of credits shall be allo-
18 cated by the department of economic development among taxpayers based on
19 the date of first performance of the qualified musical and theatrical
20 production.

21 § 4. Paragraph 2 of subdivision (f) of section 24-c of the tax law, as
22 added by section 1 of subpart B of part PP of chapter 59 of the laws of
23 2021, is amended to read as follows:

24 (2) The commissioner of economic development, after consulting with
25 the commissioner, shall promulgate regulations to establish procedures
26 for the allocation of tax credits as required by this section. Such
27 rules and regulations shall include provisions describing the applica-
28 tion process, the due dates for such applications, the standards that
29 will be used to evaluate the applications, the documentation that will
30 be provided by applicants to substantiate to the department the amount
31 of qualified production expenditures of such applicants, and such other
32 provisions as deemed necessary and appropriate. Notwithstanding any
33 other provisions to the contrary in the state administrative procedure
34 act, such rules and regulations may be adopted on an emergency basis. In
35 no event shall a qualified New York city musical and theatrical
36 production submit an application for this program after [December thir-
37 ty-first, two thousand twenty-two] June thirtieth, two thousand twenty-
38 three.

39 § 5. Subdivision (g) of section 24-c of the tax law, as added by
40 section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is
41 amended to read as follows:

42 (g) Any qualified New York city musical and theatrical production
43 company that performs in a qualified New York city production facility
44 and applies to receive a credit under this section shall be required to:

45 (1) participate in a New York state diversity and arts job training
46 program; (2) create and implement a plan to ensure that their production
47 is available and accessible for low-or no-cost to low income New York-
48 ers; and (3) contribute to the New York state council on the arts,
49 cultural program fund an amount up to fifty percent of the total credits
50 received if its production earns ongoing revenue prospectively after the
51 end of the credit period that is at least equal to two hundred percent
52 of its ongoing production costs, with such amount payable from twenty-
53 five percent of net operating profits, such amounts payable on a monthly
54 basis, up until such fifty percent of the total credit amount is
55 reached. Any funds deposited pursuant to this subdivision may be used

1 for arts and cultural [educational and workforce development] grant
2 programs of the New York state council on the arts.

3 § 6. Subdivision 5 of section 99-11 of the state finance law, as added
4 by section 5 of subpart B of part PP of chapter 59 of the laws of 2021,
5 is amended to read as follows:

6 5. The moneys in such fund shall be expended for the purpose of
7 supplementing art and cultural grant programs [for secondary and elemen-
8 tary children, including programs that increase access to art and
9 cultural programs and events for children in underserved communities] of
10 the New York state council on the arts.

11 § 7. Section 6 of subpart B of part PP of chapter 59 of the laws of
12 2021 amending the tax law and the state finance law relating to estab-
13 lishing the New York city musical and theatrical production tax credit
14 and establishing the New York state council on the arts cultural program
15 fund, is amended to read as follows:

16 § 6. This act shall take effect immediately [and]; provided however,
17 that section one, two, three and four of this act shall apply to taxable
18 years beginning on or after January 1, 2021, and before January 1, 2024
19 and shall expire and be deemed repealed [on] January 1, 2024; provided
20 further, however that the obligations under paragraph 3 of subdivision
21 [g] (g) of section 24-c of the tax law, as added by section one of this
22 act, shall remain in effect until December 31, 2025.

23 § 8. This act shall take effect immediately; provided that the amend-
24 ments to section 24-c of the tax law made by sections one, two, three,
25 four and five of this act shall not affect the repeal of such section
26 and shall be deemed repealed therewith.

27

PART G

28 Section 1. Paragraphs (a) and (f) of subdivision 1 of section 209-b of
29 the tax law, paragraph (a) as amended and paragraph (f) as added by
30 section 7 of part A of chapter 59 of the laws of 2014, are amended to
31 read as follows:

32 (a) For the privilege of exercising its corporate franchise, or of
33 doing business, or of employing capital, or of owning or leasing proper-
34 ty in a corporate or organized capacity, or of maintaining an office, or
35 of deriving receipts from activity in the metropolitan commuter trans-
36 portation district, for all or any part of its taxable year, there is
37 hereby imposed on every corporation, other than a New York S corpo-
38 ration, subject to tax under section two hundred nine of this article,
39 or any receiver, referee, trustee, assignee or other fiduciary, or any
40 officer or agent appointed by any court, who conducts the business of
41 any such corporation, a tax surcharge, in addition to the tax imposed
42 under section two hundred nine of this article, to be computed at the
43 rate of seventeen percent of the tax imposed under such section for such
44 taxable years or any part of such taxable years ending on or after
45 December thirty-first, nineteen hundred eighty-three and before January
46 first, two thousand fifteen after the deduction of any credits otherwise
47 allowable under this article, at the rate of twenty-five and six-tenths
48 percent of the tax imposed under such section for taxable years begin-
49 ning on or after January first, two thousand fifteen and before January
50 first, two thousand sixteen before the deduction of any credits other-
51 wise allowable under this article, [and] at the rate determined by the
52 commissioner pursuant to paragraph (f) of this subdivision of the tax
53 imposed under such section, for taxable years beginning on or after
54 January first, two thousand sixteen and before January first, two thou-



1 sand twenty-three before the deduction of any credits otherwise allow-
2 able under this article, and at the rate of thirty percent of the tax
3 imposed under such section for taxable years beginning on or after Janu-
4 ary first, two thousand twenty-three before the deduction of any credits
5 otherwise allowable under this article. However, such rate of tax
6 surcharge shall be applied only to that portion of the tax imposed under
7 section two hundred nine of this article before the deduction of any
8 credits otherwise allowable under this article which is attributable to
9 the taxpayer's business activity carried on within the metropolitan
10 commuter transportation district; and provided, further, the surcharge
11 computed on a combined report shall include a surcharge on the fixed
12 dollar minimum tax for each member of the combined group subject to the
13 surcharge under this subdivision.

14 (f) The commissioner shall determine the rate of tax for taxable years
15 beginning on or after January first, two thousand sixteen and before
16 January first, two thousand twenty-three by adjusting the rate for taxa-
17 ble years beginning on or after January first, two thousand fifteen and
18 before January first, two thousand sixteen as necessary to ensure that
19 the receipts attributable to such surcharge, as impacted by the chapter
20 of the laws of two thousand fourteen which added this paragraph, will
21 meet and not exceed the financial projections for state fiscal year two
22 thousand sixteen-two thousand seventeen, as reflected in state fiscal
23 year two thousand fifteen-two thousand sixteen enacted budget. The
24 commissioner shall annually determine the rate thereafter using the
25 financial projections for the state fiscal year that commences in the
26 year for which the rate is to be set as reflected in the enacted budget
27 for the fiscal year commencing on the previous April first.

28 § 2. This act shall take effect immediately.

29

PART H

30 Section 1. Paragraphs (a), (b) and (d) of subdivision 29 of section
31 210-B of the tax law, paragraph (a) and subparagraph 2 of paragraph (b)
32 as amended by section 1 of part II of chapter 59 of the laws of 2021,
33 paragraph (b) as amended by section 1 of part Q of chapter 59 of the
34 laws of 2018, subparagraph 1 of paragraph (b) as amended by chapter 490
35 of the laws of 2019 and paragraph (d) as added by section 17 of part A
36 of chapter 59 of the laws of 2014, are amended to read as follows:

37 (a) Allowance of credit. For taxable years beginning on or after Janu-
38 ary first, two thousand fifteen and before January first, two thousand
39 [twenty-three] twenty-six, a taxpayer shall be allowed a credit, to be
40 computed as provided in this subdivision, against the tax imposed by
41 this article, for hiring and employing, for not less than [one year and
42 for not less than thirty-five hours each week] twelve continuous and
43 uninterrupted months (hereinafter referred to as the twelve-month peri-
44 od) in a full-time or part-time position, a qualified veteran within the
45 state. The taxpayer may claim the credit in the year in which the qual-
46 ified veteran completes [one year] the twelve-month period of employment
47 by the taxpayer. If the taxpayer claims the credit allowed under this
48 subdivision, the taxpayer may not use the hiring of a qualified veteran
49 that is the basis for this credit in the basis of any other credit
50 allowed under this article.

51 (b) Qualified veteran. A qualified veteran is an individual:

52 (1) who served on active duty in the United States army, navy, air
53 force, space force, marine corps, coast guard or the reserves thereof,
54 or who served in active military service of the United States as a

1 member of the army national guard, air national guard, New York guard or
2 New York naval militia; who (i) was released from active duty by general
3 or honorable discharge [after September eleventh, two thousand one], or
4 (ii) has a qualifying condition, as defined in section three hundred
5 fifty of the executive law, and has received a discharge other than bad
6 conduct or dishonorable from such service [after September eleventh, two
7 thousand one], or (iii) is a discharged LGBT veteran, as defined in
8 section three hundred fifty of the executive law, and has received a
9 discharge other than bad conduct or dishonorable from such service
10 [after September eleventh, two thousand one];

11 (2) who commences employment by the qualified taxpayer on or after
12 January first, two thousand fourteen, and before January first, two
13 thousand [twenty-two] twenty-five; and

14 (3) who certifies by signed affidavit, under penalty of perjury, that
15 he or she has not been employed for thirty-five or more hours during any
16 week in the one hundred eighty day period immediately prior to his or
17 her employment by the taxpayer.

18 (d) Amount of credit. The amount of the credit shall be [ten] fifteen
19 percent of the total amount of wages paid to the qualified veteran
20 during the veteran's first [full year] twelve-month period of employ-
21 ment. Provided, however, that[, if the qualified veteran is a disabled
22 veteran, as defined in paragraph (b) of subdivision one of section
23 eighty-five of the civil service law, the amount of the credit shall be
24 fifteen percent of the total amount of wages paid to the qualified
25 veteran during the veteran's first full year of employment. The] the
26 credit allowed pursuant to this subdivision shall not exceed in any
27 taxable year, [five] fifteen thousand dollars for any qualified veteran
28 employed in a full-time position for one thousand eight hundred twenty
29 or more hours in one twelve-month period and [fifteen thousand dollars
30 for any qualified veteran who is a disabled veteran] seven thousand five
31 hundred dollars for any qualified veteran employed in a part-time posi-
32 tion for at least one thousand forty hours but not more than one thou-
33 sand eight hundred nineteen hours in one twelve-month period.

34 § 2. Paragraphs 1, 2 and 4 of subsection (a-2) of section 606 of the
35 tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by
36 section 2 of part II of chapter 59 of the laws of 2021, paragraph 2 as
37 amended by section 2 of part Q of chapter 59 of the laws of 2018,
38 subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of
39 2019 and paragraph 4 as added by section 3 of part AA of chapter 59 of
40 the laws of 2013, are amended to read as follows:

41 (1) Allowance of credit. For taxable years beginning on or after Janu-
42 ary first, two thousand fifteen and before January first, two thousand
43 [twenty-three] twenty-six, a taxpayer shall be allowed a credit, to be
44 computed as provided in this subsection, against the tax imposed by this
45 article, for hiring and employing, for not less than [one year and for
46 not less than thirty-five hours each week] twelve continuous and unin-
47 terrupted months (hereinafter referred to as the twelve-month period) in
48 a full-time or part-time position, a qualified veteran within the state.
49 The taxpayer may claim the credit in the year in which the qualified
50 veteran completes [one year] the twelve-month period of employment by
51 the taxpayer. If the taxpayer claims the credit allowed under this
52 subsection, the taxpayer may not use the hiring of a qualified veteran
53 that is the basis for this credit in the basis of any other credit
54 allowed under this article.

55 (2) Qualified veteran. A qualified veteran is an individual:

1 (A) who served on active duty in the United States army, navy, air
2 force, space force, marine corps, coast guard or the reserves thereof,
3 or who served in active military service of the United States as a
4 member of the army national guard, air national guard, New York guard or
5 New York naval militia; who (i) was released from active duty by general
6 or honorable discharge [after September eleventh, two thousand one], or
7 (ii) has a qualifying condition, as defined in section three hundred
8 fifty of the executive law, and has received a discharge other than bad
9 conduct or dishonorable from such service [after September eleventh, two
10 thousand one], or (iii) is a discharged LGBT veteran, as defined in
11 section three hundred fifty of the executive law, and has received a
12 discharge other than bad conduct or dishonorable from such service
13 [after September eleventh, two thousand one];

14 (B) who commences employment by the qualified taxpayer on or after
15 January first, two thousand fourteen, and before January first, two
16 thousand [twenty-two] twenty-five; and

17 (C) who certifies by signed affidavit, under penalty of perjury, that
18 he or she has not been employed for thirty-five or more hours during any
19 week in the one hundred eighty day period immediately prior to his or
20 her employment by the taxpayer.

21 (4) Amount of credit. The amount of the credit shall be [ten] fifteen
22 percent of the total amount of wages paid to [he] the qualified veteran
23 during the veteran's first [full year] twelve-month period of employ-
24 ment. Provided, however, that[, if the qualified veteran is a disabled
25 veteran, as defined in paragraph (b) of subdivision one of section
26 eighty-five of the civil service law, the amount of the credit shall be
27 fifteen percent of the total amount of wages paid to the qualified
28 veteran during the veteran's first full year of employment. The] the
29 credit allowed pursuant to this subsection shall not exceed in any taxa-
30 ble year, [five] fifteen thousand dollars for any qualified veteran
31 employed in a full-time position for one thousand eight hundred twenty
32 or more hours in one twelve-month period and [fifteen thousand dollars
33 for any qualified veteran who is a disabled veteran] seven thousand five
34 hundred dollars for any qualified veteran employed in a part-time posi-
35 tion for at least one thousand forty hours but not more than one thou-
36 sand eight hundred nineteen hours in one twelve-month period.

37 § 3. Paragraphs 1, 2 and 4 of subdivision (g-1) of section 1511 of the
38 tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by
39 section 3 of part II of chapter 59 of the laws of 2021, paragraph 2 as
40 amended by section 3 of part Q of chapter 59 of the laws of 2018,
41 subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of
42 2019 and paragraph 4 as added by section 5 of part AA of chapter 59 of
43 the laws of 2013, are amended to read as follows:

44 (1) Allowance of credit. For taxable years beginning on or after Janu-
45 ary first, two thousand fifteen and before January first, two thousand
46 [twenty-three] twenty-six, a taxpayer shall be allowed a credit, to be
47 computed as provided in this subdivision, against the tax imposed by
48 this article, for hiring and employing, for not less than [one year and
49 for not less than thirty-five hours each week] twelve continuous and
50 uninterrupted months (hereinafter referred to as the twelve-month peri-
51 od) in a full-time or part-time position, a qualified veteran within the
52 state. The taxpayer may claim the credit in the year in which the qual-
53 ified veteran completes [one year] the twelve-month period of employment
54 by the taxpayer. If the taxpayer claims the credit allowed under this
55 subdivision, the taxpayer may not use the hiring of a qualified veteran

1 that is the basis for this credit in the basis of any other credit
2 allowed under this article.

3 (2) Qualified veteran. A qualified veteran is an individual:

4 (A) who served on active duty in the United States army, navy, air
5 force, space force, marine corps, coast guard or the reserves thereof,
6 or who served in active military service of the United States as a
7 member of the army national guard, air national guard, New York guard or
8 New York naval militia; who (i) was released from active duty by general
9 or honorable discharge [after September eleventh, two thousand one], or
10 (ii) has a qualifying condition, as defined in section three hundred
11 fifty of the executive law, and has received a discharge other than bad
12 conduct or dishonorable from such service [after September eleventh, two
13 thousand one], or (iii) is a discharged LGBT veteran, as defined in
14 section three hundred fifty of the executive law, and has received a
15 discharge other than bad conduct or dishonorable from such service
16 [after September eleventh, two thousand one];

17 (B) who commences employment by the qualified taxpayer on or after
18 January first, two thousand fourteen, and before January first, two
19 thousand [twenty-two] twenty-five; and

20 (C) who certifies by signed affidavit, under penalty of perjury, that
21 he or she has not been employed for thirty-five or more hours during any
22 week in the one hundred eighty day period immediately prior to his or
23 her employment by the taxpayer.

24 (4) Amount of credit. The amount of the credit shall be [ten] fifteen
25 percent of the total amount of wages paid to the qualified veteran
26 during the veteran's first [full year] twelve-month period of employ-
27 ment. Provided, however, that[, if the qualified veteran is a disabled
28 veteran, as defined in paragraph (b) of subdivision one of section
29 eighty-five of the civil service law, the amount of the credit shall be
30 fifteen percent of the total amount of wages paid to the qualified
31 veteran during the veteran's first full year of employment. The] the
32 credit allowed pursuant to this subdivision shall not exceed in any
33 taxable year, [five] fifteen thousand dollars for any qualified veteran
34 employed in a full-time position for one thousand eight hundred twenty
35 or more hours in one twelve-month period and [fifteen thousand dollars
36 for any qualified veteran who is a disabled veteran] seven thousand five
37 hundred dollars for any qualified veteran employed in a part-time posi-
38 tion for at least one thousand forty hours but not more than one thou-
39 sand eight hundred nineteen hours in one twelve-month period.

40 § 4. This act shall take effect immediately and shall apply to taxable
41 years beginning on or after January 1, 2022.

42

PART I

43 Section 1. The tax law is amended by adding a new section 47 to read
44 as follows:

45 § 47. Grade no. 6 heating oil conversion tax credit. (a) (1) Allowance
46 of credit. A taxpayer that meets the eligibility requirements of subdi-
47 vision (b) of this section and is subject to tax under article nine-A or
48 twenty-two of this chapter may be eligible to claim a grade no. 6 heat-
49 ing oil conversion tax credit in the taxable year the conversion is
50 complete. The credit shall be equal to fifty percent of the conversion
51 costs for all of the taxpayer's buildings located in a municipality paid
52 by such taxpayer on or after January first, two thousand twenty-two and
53 before July first, two thousand twenty-three. The credit cannot exceed
54 five hundred thousand dollars per municipality.



1 (2) A taxpayer that is a partner in a partnership, member of a limited
2 liability company or shareholder in a subchapter S corporation shall be
3 allowed its pro rata share of the credit earned by the partnership,
4 limited liability company or subchapter S corporation that meets the
5 eligibility criteria described in subdivision (b) of this section to
6 claim a grade no. 6 heating oil conversion tax credit. In no event may
7 the total amount of the credit earned by the partnership, limited
8 liability company or subchapter S corporation exceed five hundred thou-
9 sand dollars for all buildings located in a municipality.

10 (3) No cost or expense paid or incurred by the taxpayer that is
11 included as part of the calculation of this credit shall be the basis of
12 any other tax credit allowed under this chapter.

13 (b) Eligibility criteria. (1) To be eligible to claim a grade no. 6
14 heating oil conversion tax credit, a business entity must:

15 (i) incur expenses for the conversion from grade no. 6 heating oil
16 fuel, as described as "conversion costs" in paragraph (1) of subdivision
17 (c) of this section, to biodiesel heating oil or a geothermal system at
18 any building located in New York state outside the city of New York;

19 (ii) submit an application to and obtain approval of such application
20 by the New York state energy research and development authority describ-
21 ing the conversion and approved costs to complete such conversion;

22 (iii) not be principally engaged in the generation or distribution of
23 electricity, power or energy;

24 (iv) be in compliance with all environmental conservation laws and
25 regulations; and

26 (v) not owe past due state taxes unless the business entity is making
27 payments and complying with an approved binding payment agreement
28 entered into with the taxing authority.

29 (c) Definitions. As used in this section the following terms shall
30 have the following meanings:

31 (1) Conversion costs means the equipment and labor costs associated
32 with the design, installation and use of space heating and other energy
33 conversion systems that are designed to or accommodate the use of biod-
34 iesel fuel or a geothermal system and, at the option of the taxpayer,
35 the costs of completing an ASHRAE level 2 energy audit including assess-
36 ment of electrification options.

37 (2) Biodiesel means a minimum blend of eighty-five (85) percent biod-
38 iesel, defined as fuel manufactured from vegetable oils, animal fats, or
39 other agricultural or other products or by-products, with petrodiesel
40 fuel commonly used for heating systems.

41 (3) Geothermal means a system that uses the ground or ground water as
42 a thermal energy source/sink to heat or cool a building or provide hot
43 water within the building.

44 (4) Municipality, for purposes of this section, means a city or town.

45 (d) The commissioner, in consultation with the New York state energy
46 research and development authority, will develop an application process
47 to certify the expenses necessary for the conversion and a taxpayer will
48 not be eligible to claim the credit unless it has completed that appli-
49 cation process and the application has been approved by the New York
50 state energy research and development authority.

51 (e) Information sharing. The department, the department of environ-
52 mental conservation and the New York state energy research and develop-
53 ment authority shall be allowed and are directed to share and exchange
54 information regarding the information contained on the credit applica-
55 tion for claiming the grade no. 6 heating oil conversion tax credit and
56 such information exchanged between the department, the department of

1 environmental conservation and the New York state energy research and
2 development authority shall not be subject to disclosure or inspection
3 under the state's freedom of information law.

4 (f) Cross references. For application of the credit provided for in
5 this section, see the following provisions of this chapter:

6 (1) article 9-A: section 210-B, subdivision 58;

7 (2) article 22: section 606, subsection (nnn).

8 § 2. Section 210-B of the tax law is amended by adding a new subdivi-
9 sion 58 to read as follows:

10 58. Grade no. 6 heating oil conversion tax credit. (a) Allowance of
11 credit. A taxpayer will be allowed a credit, to be computed as provided
12 in section forty-seven of this chapter, against the taxes imposed by
13 this article.

14 (b) Application of credit. The credit allowed under this subdivision
15 for the taxable year will not reduce the tax due for such year to less
16 than the amount prescribed in paragraph (d) of subdivision one of
17 section two hundred ten of this article. However, if the amount of cred-
18 it allowed under this subdivision for the taxable year reduces the tax
19 to such amount or if the taxpayer otherwise pays tax based on the fixed
20 dollar minimum amount, any amount of credit not deductible in such taxa-
21 ble year will be treated as an overpayment of tax to be credited or
22 refunded in accordance with the provisions of section one thousand
23 eighty-six of this chapter. Provided, however, the provisions of
24 subsection (c) of section one thousand eighty-eight of this chapter
25 notwithstanding, no interest will be paid thereon.

26 § 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
27 of the tax law is amended by adding a new clause (xlix) to read as
28 follows:

29 <u>(xlix) Grade no. 6 heating oil</u>	<u>Amount of credit under subdivision</u>
30 <u>conversion tax credit under</u>	<u>fifty-eight of section two hundred</u>
31 <u>subsection (nnn)</u>	<u>ten-B</u>

32 § 4. Section 606 of the tax law is amended by adding a new subsection
33 (nnn) to read as follows:

34 (nnn) Grade no. 6 heating oil conversion tax credit. (1) Allowance of
35 credit. A taxpayer shall be allowed a credit, to be computed as provided
36 in section forty-seven of this chapter, against the tax imposed by this
37 article.

38 (2) Application of credit. If the amount of the credit allowed under
39 this subsection for the taxable year exceeds the taxpayer's tax for such
40 year, the excess will be treated as an overpayment of tax to be credited
41 or refunded in accordance with the provisions of section six hundred
42 eighty-six of this article, provided, however, that no interest will be
43 paid thereon.

44 § 5. This act shall take effect immediately and shall apply to taxable
45 years beginning on or after January 1, 2022.

46

PART J

47 Section 1. Subdivision 4 of section 22 of the public housing law, as
48 amended by section 2 of part GG of chapter 59 of the laws of 2021, is
49 amended to read as follows:

50 4. Statewide limitation. The aggregate dollar amount of credit which
51 the commissioner may allocate to eligible low-income buildings under
52 this article shall be one hundred [twenty] twenty-seven million dollars.
53 The limitation provided by this subdivision applies only to allocation
54 of the aggregate dollar amount of credit by the commissioner, and does

1 not apply to allowance to a taxpayer of the credit with respect to an
2 eligible low-income building for each year of the credit period.

3 § 2. Subdivision 4 of section 22 of the public housing law, as
4 amended by section 3 of part GG of chapter 59 of the laws of 2021, is
5 amended to read as follows:

6 4. Statewide limitation. The aggregate dollar amount of credit which
7 the commissioner may allocate to eligible low-income buildings under
8 this article shall be one hundred [twenty-eight] ~~forty-two~~ million
9 dollars. The limitation provided by this subdivision applies only to
10 allocation of the aggregate dollar amount of credit by the commissioner,
11 and does not apply to allowance to a taxpayer of the credit with respect
12 to an eligible low-income building for each year of the credit period.

13 § 3. Subdivision 4 of section 22 of the public housing law, as amended
14 by section 4 of part GG of chapter 59 of the laws of 2021, is amended to
15 read as follows:

16 4. Statewide limitation. The aggregate dollar amount of credit which
17 the commissioner may allocate to eligible low-income buildings under
18 this article shall be one hundred [thirty-six] ~~fifty-seven~~ million
19 dollars. The limitation provided by this subdivision applies only to
20 allocation of the aggregate dollar amount of credit by the commissioner,
21 and does not apply to allowance to a taxpayer of the credit with respect
22 to an eligible low-income building for each year of the credit period.

23 § 4. Subdivision 4 of section 22 of the public housing law, as amended
24 by section 5 of part GG of chapter 59 of the laws of 2021, is amended to
25 read as follows:

26 4. Statewide limitation. The aggregate dollar amount of credit which
27 the commissioner may allocate to eligible low-income buildings under
28 this article shall be one hundred [forty-four] ~~seventy-two~~ million
29 dollars. The limitation provided by this subdivision applies only to
30 allocation of the aggregate dollar amount of credit by the commissioner,
31 and does not apply to allowance to a taxpayer of the credit with respect
32 to an eligible low-income building for each year of the credit period.

33 § 5. This act shall take effect immediately; provided, however,
34 section one of this act shall take effect April 1, 2022; section two of
35 this act shall take effect April 1, 2023; section three of this act
36 shall take effect April 1, 2024; and section four of this act shall take
37 effect April 1, 2025.

38

PART K

39 Section 1. Paragraph (a) of subdivision 25 of section 210-B of the tax
40 law, as amended by section 1 of part R of chapter 59 of the laws of
41 2019, is amended to read as follows:

42 (a) General. A taxpayer shall be allowed a credit against the tax
43 imposed by this article. Such credit, to be computed as hereinafter
44 provided, shall be allowed for bioheating fuel, used for space heating
45 or hot water production for residential purposes within this state
46 purchased before January first, two thousand [twenty-three] ~~twenty-six~~.
47 Such credit shall be \$0.01 per percent of biodiesel per gallon of
48 bioheating fuel, not to exceed twenty cents per gallon, purchased by
49 such taxpayer. Provided, however, that on or after January first, two
50 thousand seventeen, this credit shall not apply to bioheating fuel that
51 is less than six percent biodiesel per gallon of bioheating fuel.

52 § 2. Paragraph 1 of subdivision (mm) of section 606 of the tax law, as
53 amended by section 2 of part R of chapter 59 of the laws of 2019, is
54 amended to read as follows:

1 (1) A taxpayer shall be allowed a credit against the tax imposed by
2 this article. Such credit, to be computed as hereinafter provided, shall
3 be allowed for bioheating fuel, used for space heating or hot water
4 production for residential purposes within this state and purchased on
5 or after July first, two thousand six and before July first, two thou-
6 sand seven and on or after January first, two thousand eight and before
7 January first, two thousand [twenty-three] ~~twenty-six~~. Such credit shall
8 be \$0.01 per percent of biodiesel per gallon of bioheating fuel, not to
9 exceed twenty cents per gallon, purchased by such taxpayer. Provided,
10 however, that on or after January first, two thousand seventeen, this
11 credit shall not apply to bioheating fuel that is less than six percent
12 biodiesel per gallon of bioheating fuel.

13 § 3. This act shall take effect immediately.

14

PART L

15 Section 1. Section 5 of chapter 604 of the laws of 2011 amending the
16 tax law relating to the credit for companies who provide transportation
17 to people with disabilities, as amended by section 1 of part K of chap-
18 ter 60 of the laws of 2016, is amended to read as follows:

19 § 5. This act shall take effect immediately and shall remain in effect
20 until December 31, 2016 when upon such date it shall be deemed repealed;
21 provided that this act shall be deemed to have been in full force and
22 effect on December 31, 2010; provided further that this act shall apply
23 to all tax years commencing on or after January 1, 2011; and provided
24 further that sections one and two of this act shall remain in effect
25 until December 31, [2022] 2028 when upon such date such sections shall
26 be deemed repealed.

27 § 2. Paragraph (c) of subdivision 38 of section 210-B of the tax law,
28 as amended by section 2 of part K of chapter 60 of the laws of 2016, is
29 amended to read as follows:

30 (c) Application of credit. In no event shall the credit allowed under
31 this subdivision for any taxable year reduce the tax due for such year
32 to less than the amount prescribed in paragraph (d) of subdivision one
33 of section two hundred ten of this article. However, if the amount of
34 credit allowed under this subdivision for any taxable year reduces the
35 tax to such amount or if the taxpayer otherwise pays tax based on the
36 fixed dollar minimum amount, any amount of credit thus not deductible in
37 such taxable year shall be carried over to the following year or years,
38 and may be deducted from the taxpayer's tax for such year or years. The
39 tax credit allowed pursuant to this subdivision shall not apply to taxa-
40 ble years beginning on or after January first, two thousand [twenty-
41 three] twenty-nine.

42 § 3. This act shall take effect immediately.

43

PART M

44 Section 1. Paragraph 4 of subdivision (a) of section 24 of the tax
45 law, as added by section 5 of part Q of chapter 57 of the laws of 2010,
46 is amended to read as follows:

47 (4) (i) Notwithstanding the foregoing provisions of this subdivision,
48 a qualified film production company or qualified independent film
49 production company, that has applied for credit under the provisions of
50 this section, agrees as a condition for the granting of the credit:
51 [(i)] (A) to include in each qualified film distributed by DVD, or other
52 media for the secondary market, a New York promotional video approved by

1 the governor's office of motion picture and television development or to
2 include in the end credits of each qualified film "Filmed With the
3 Support of the New York State Governor's Office of Motion Picture and
4 Television Development" and a logo provided by the governor's office of
5 motion picture and television development, and [(ii)] (B) to certify
6 that it will purchase taxable tangible property and services, defined as
7 qualified production costs pursuant to paragraph one of subdivision (b)
8 of this section, only from companies registered to collect and remit
9 state and local sales and use taxes pursuant to articles twenty-eight
10 and twenty-nine of this chapter.

11 (ii) On or after January first, two thousand twenty-three, a qualified
12 film production company or qualified independent film production company
13 that has applied for credit under the provisions of this section shall,
14 as a condition for the granting of the credit, file a diversity plan
15 with the governor's office for motion picture and television development
16 outlining specific goals for hiring a diverse workforce. The commission-
17 er of economic development shall promulgate regulations implementing the
18 requirements of this paragraph, which, notwithstanding any provisions to
19 the contrary in the state administrative procedure act, may be adopted
20 on an emergency basis, to ensure compliance with the provisions of this
21 paragraph. The governor's office for motion picture and television
22 development shall review each submitted plan as to whether it meets the
23 requirements established by the commissioner of economic development,
24 and shall verify that the applicant has met or made good-faith efforts
25 in achieving these goals. The diversity plan also shall indicate whether
26 the qualified film production company or qualified independent film
27 production company that has applied for credit under the provisions of
28 this section intends to participate in training, education, and recruit-
29 ment programs that are designed to promote and encourage the training
30 and hiring in the film and television industry of New York residents who
31 represent the diversity of the State's population.

32 § 2. Paragraph 5 of subdivision (a) of section 24 of the tax law, as
33 amended by section 1 of part F of chapter 59 of the laws of 2021, is
34 amended to read as follows:

35 (5) For the period two thousand fifteen through two thousand [twenty-
36 six] twenty-nine, in addition to the amount of credit established in
37 paragraph two of this subdivision, a taxpayer shall be allowed a credit
38 equal to the product (or pro rata share of the product, in the case of a
39 member of a partnership) of ten percent and the amount of wages or sala-
40 ries paid to individuals directly employed (excluding those employed as
41 writers, directors, music directors, producers and performers, including
42 background actors with no scripted lines) by a qualified film production
43 company or a qualified independent film production company for services
44 performed by those individuals in one of the counties specified in this
45 paragraph in connection with a qualified film with a minimum budget of
46 five hundred thousand dollars. For purposes of this additional credit,
47 the services must be performed in one or more of the following counties:
48 Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung,
49 Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex,
50 Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis,
51 Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga,
52 Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga,
53 Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sulli-
54 van, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or
55 Yates. The aggregate amount of tax credits allowed pursuant to the
56 authority of this paragraph shall be five million dollars each year



1 during the period two thousand fifteen through two thousand [twenty-six]
2 twenty-nine of the annual allocation made available to the program
3 pursuant to paragraph four of subdivision (e) of this section. Such
4 aggregate amount of credits shall be allocated by the governor's office
5 for motion picture and television development among taxpayers in order
6 of priority based upon the date of filing an application for allocation
7 of film production credit with such office. If the total amount of allo-
8 cated credits applied for under this paragraph in any year exceeds the
9 aggregate amount of tax credits allowed for such year under this para-
10 graph, such excess shall be treated as having been applied for on the
11 first day of the next year. If the total amount of allocated tax credits
12 applied for under this paragraph at the conclusion of any year is less
13 than five million dollars, the remainder shall be treated as part of the
14 annual allocation made available to the program pursuant to paragraph
15 four of subdivision (e) of this section. However, in no event may the
16 total of the credits allocated under this paragraph and the credits
17 allocated under paragraph five of subdivision (a) of section thirty-one
18 of this article exceed five million dollars in any year during the peri-
19 od two thousand fifteen through two thousand [twenty-six] twenty-nine.

20 § 3. Paragraph 4 of subdivision (e) of section 24 of the tax law, as
21 amended by section 2 of part F of chapter 59 of the laws of 2021, is
22 amended to read as follows:

23 (4) Additional pool 2 - The aggregate amount of tax credits allowed in
24 subdivision (a) of this section shall be increased by an additional four
25 hundred twenty million dollars in each year starting in two thousand ten
26 through two thousand [twenty-six] twenty-nine provided however, seven
27 million dollars of the annual allocation shall be available for the
28 empire state film post production credit pursuant to section thirty-one
29 of this article in two thousand thirteen and two thousand fourteen,
30 twenty-five million dollars of the annual allocation shall be available
31 for the empire state film post production credit pursuant to section
32 thirty-one of this article in each year starting in two thousand fifteen
33 through two thousand [twenty-six] twenty-nine and five million dollars
34 of the annual allocation shall be made available for the television
35 writers' and directors' fees and salaries credit pursuant to section
36 twenty-four-b of this article in each year starting in two thousand
37 twenty through two thousand [twenty-six] twenty-nine. This amount shall
38 be allocated by the governor's office for motion picture and television
39 development among taxpayers in accordance with subdivision (a) of this
40 section. If the commissioner of economic development determines that the
41 aggregate amount of tax credits available from additional pool 2 for the
42 empire state film production tax credit have been previously allocated,
43 and determines that the pending applications from eligible applicants
44 for the empire state film post production tax credit pursuant to section
45 thirty-one of this article is insufficient to utilize the balance of
46 unallocated empire state film post production tax credits from such
47 pool, the remainder, after such pending applications are considered,
48 shall be made available for allocation in the empire state film tax
49 credit pursuant to this section, subdivision twenty of section two
50 hundred ten-B and subsection (gg) of section six hundred six of this
51 chapter. Also, if the commissioner of economic development determines
52 that the aggregate amount of tax credits available from additional pool
53 2 for the empire state film post production tax credit have been previ-
54 ously allocated, and determines that the pending applications from
55 eligible applicants for the empire state film production tax credit
56 pursuant to this section is insufficient to utilize the balance of unal-

1 located film production tax credits from such pool, then all or part of
2 the remainder, after such pending applications are considered, shall be
3 made available for allocation for the empire state film post production
4 credit pursuant to this section, subdivision thirty-two of section two
5 hundred ten-B and subsection (gg) of section six hundred six of this
6 chapter. The governor's office for motion picture and television devel-
7 opment must notify taxpayers of their allocation year and include the
8 allocation year on the certificate of tax credit. Taxpayers eligible to
9 claim a credit must report the allocation year directly on their empire
10 state film production credit tax form for each year a credit is claimed
11 and include a copy of the certificate with their tax return. In the case
12 of a qualified film that receives funds from additional pool 2, no
13 empire state film production credit shall be claimed before the later of
14 the taxable year the production of the qualified film is complete, or
15 the taxable year immediately following the allocation year for which the
16 film has been allocated credit by the governor's office for motion
17 picture and television development.

18 § 4. Paragraph 4 of subdivision (e) of section 24 of the tax law, as
19 amended by section 3 of part F of chapter 59 of the laws of 2021, is
20 amended to read as follows:

21 (4) Additional pool 2 - The aggregate amount of tax credits allowed in
22 subdivision (a) of this section shall be increased by an additional four
23 hundred twenty million dollars in each year starting in two thousand ten
24 through two thousand [twenty-six] twenty-nine provided however, seven
25 million dollars of the annual allocation shall be available for the
26 empire state film post production credit pursuant to section thirty-one
27 of this article in two thousand thirteen and two thousand fourteen and
28 twenty-five million dollars of the annual allocation shall be available
29 for the empire state film post production credit pursuant to section
30 thirty-one of this article in each year starting in two thousand fifteen
31 through two thousand [twenty-six] twenty-nine. This amount shall be
32 allocated by the governor's office for motion picture and television
33 development among taxpayers in accordance with subdivision (a) of this
34 section. If the commissioner of economic development determines that the
35 aggregate amount of tax credits available from additional pool 2 for the
36 empire state film production tax credit have been previously allocated,
37 and determines that the pending applications from eligible applicants
38 for the empire state film post production tax credit pursuant to section
39 thirty-one of this article is insufficient to utilize the balance of
40 unallocated empire state film post production tax credits from such
41 pool, the remainder, after such pending applications are considered,
42 shall be made available for allocation in the empire state film tax
43 credit pursuant to this section, subdivision twenty of section two
44 hundred ten-B and subsection (gg) of section six hundred six of this
45 chapter. Also, if the commissioner of economic development determines
46 that the aggregate amount of tax credits available from additional pool
47 2 for the empire state film post production tax credit have been previ-
48 ously allocated, and determines that the pending applications from
49 eligible applicants for the empire state film production tax credit
50 pursuant to this section is insufficient to utilize the balance of unal-
51 located film production tax credits from such pool, then all or part of
52 the remainder, after such pending applications are considered, shall be
53 made available for allocation for the empire state film post production
54 credit pursuant to this section, subdivision thirty-two of section two
55 hundred ten-B and subsection (gg) of section six hundred six of this
56 chapter. The governor's office for motion picture and television devel-

1 opment must notify taxpayers of their allocation year and include the
2 allocation year on the certificate of tax credit. Taxpayers eligible to
3 claim a credit must report the allocation year directly on their empire
4 state film production credit tax form for each year a credit is claimed
5 and include a copy of the certificate with their tax return. In the case
6 of a qualified film that receives funds from additional pool 2, no
7 empire state film production credit shall be claimed before the later of
8 the taxable year the production of the qualified film is complete, or
9 the taxable year immediately following the allocation year for which the
10 film has been allocated credit by the governor's office for motion
11 picture and television development.

12 § 5. Paragraph 1 of subdivision (f) of section 24 of the tax law, as
13 added by section 2 of subpart A of part H of chapter 39 of the laws of
14 2019, is amended to read as follows:

15 (1) With regard to certificates of tax credit issued on or after Janu-
16 ary first, two thousand twenty, the commissioner of economic development
17 shall reduce by one-quarter of one percent the amount of credit allowed
18 to a taxpayer and this reduced amount shall be reported on a certificate
19 of tax credit issued pursuant to this section and the regulations
20 promulgated by the commissioner of economic development to implement
21 this credit program. Provided, however, for certificates of tax credit
22 issued on or after January first, two thousand twenty-three, the amount
23 of credit shall be reduced by one-half of one percent allowed to the
24 taxpayer.

25 § 6. Paragraph 6 of subdivision (a) of section 31 of the tax law, as
26 amended by section 4 of part F of chapter 59 of the laws of 2021, is
27 amended to read as follows:

28 (6) For the period two thousand fifteen through two thousand [twenty-
29 six] twenty-nine, in addition to the amount of credit established in
30 paragraph two of this subdivision, a taxpayer shall be allowed a credit
31 equal to the product (or pro rata share of the product, in the case of a
32 member of a partnership) of ten percent and the amount of wages or sala-
33 ries paid to individuals directly employed (excluding those employed as
34 writers, directors, music directors, producers and performers, including
35 background actors with no scripted lines) for services performed by
36 those individuals in one of the counties specified in this paragraph in
37 connection with the post production work on a qualified film with a
38 minimum budget of five hundred thousand dollars at a qualified post
39 production facility in one of the counties listed in this paragraph. For
40 purposes of this additional credit, the services must be performed in
41 one or more of the following counties: Albany, Allegany, Broome, Catta-
42 raugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cort-
43 land, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee,
44 Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison,
45 Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans,
46 Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie,
47 Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins,
48 Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate
49 amount of tax credits allowed pursuant to the authority of this para-
50 graph shall be five million dollars each year during the period two
51 thousand fifteen through two thousand [twenty-six] twenty-nine of the
52 annual allocation made available to the empire state film post
53 production credit pursuant to paragraph four of subdivision (e) of
54 section twenty-four of this article. Such aggregate amount of credits
55 shall be allocated by the governor's office for motion picture and tele-
56 vision development among taxpayers in order of priority based upon the

1 date of filing an application for allocation of post production credit
2 with such office. If the total amount of allocated credits applied for
3 under this paragraph in any year exceeds the aggregate amount of tax
4 credits allowed for such year under this paragraph, such excess shall be
5 treated as having been applied for on the first day of the next year. If
6 the total amount of allocated tax credits applied for under this para-
7 graph at the conclusion of any year is less than five million dollars,
8 the remainder shall be treated as part of the annual allocation for two
9 thousand seventeen made available to the empire state film post
10 production credit pursuant to paragraph four of subdivision (e) of
11 section twenty-four of this article. However, in no event may the total
12 of the credits allocated under this paragraph and the credits allocated
13 under paragraph five of subdivision (a) of section twenty-four of this
14 article exceed five million dollars in any year during the period two
15 thousand fifteen through two thousand [twenty-six] twenty-nine.

16 § 7. This act shall take effect immediately; provided, however that
17 the amendments to paragraph 4 of subdivision (e) of section 24 of the
18 tax law made by section three of this act shall take effect on the same
19 date and in the same manner as section 5 of chapter 683 of the laws of
20 2019, as amended, takes effect.

21

PART N

22 Section 1. Subdivision (a) of section 25-a of the labor law, as
23 amended by section 1 of subpart A of part N of chapter 59 of the laws of
24 2017, is amended to read as follows:

25 (a) The commissioner is authorized to establish and administer the
26 program established under this section to provide tax incentives to
27 employers for employing at risk youth in part-time and full-time posi-
28 tions. There will be ten distinct pools of tax incentives. Program one
29 will cover tax incentives allocated for two thousand twelve and two
30 thousand thirteen. Program two will cover tax incentives allocated in
31 two thousand fourteen. Program three will cover tax incentives allocated
32 in two thousand fifteen. Program four will cover tax incentives allo-
33 cated in two thousand sixteen. Program five will cover tax incentives
34 allocated in two thousand seventeen. Program six will cover tax incen-
35 tives allocated in two thousand eighteen. Program seven will cover tax
36 incentives allocated in two thousand nineteen. Program eight will cover
37 tax incentives allocated in two thousand twenty. Program nine will cover
38 tax incentives allocated in two thousand twenty-one. Program ten will
39 cover tax incentives allocated in two thousand twenty-two. Program elev-
40 en will cover tax incentives allocated in two thousand twenty-three.
41 Program twelve will cover tax incentives allocated in two thousand twen-
42 ty-four. Program thirteen will cover tax incentives allocated in two
43 thousand twenty-five. Program fourteen will cover tax incentives allo-
44 cated in two thousand twenty-six. Program fifteen will cover tax incen-
45 tives allocated in two thousand twenty-seven. The commissioner is
46 authorized to allocate up to twenty-five million dollars of tax credits
47 under program one, ten million dollars of tax credits under program two,
48 twenty million dollars of tax credits under program three, fifty million
49 dollars of tax credits under each of programs four and five, and forty
50 million dollars of tax credits under programs six, seven, eight, nine
51 [and], ten, eleven, twelve, thirteen, fourteen and fifteen.

52 § 2. Paragraph 4 of subdivision (b) of section 25-a of the labor law,
53 as added by section 1-a of subpart A of part N of chapter 59 of the laws
54 of 2017, is amended to read as follows:

1 (4) For programs six, seven, eight, nine [and], ten, eleven, twelve,
2 thirteen, fourteen, and fifteen the tax credit under each program shall
3 be allocated as follows: (i) twenty million dollars of tax credit for
4 qualified employees; and (ii) twenty million dollars of tax credit for
5 individuals who meet all of the requirements for a qualified employee
6 except for the residency requirement of subparagraph (ii) of paragraph
7 two of this subdivision, which individuals shall be deemed to meet the
8 residency requirements of subparagraph (ii) of paragraph two of this
9 subdivision if they reside in New York state.

10 § 3. The opening paragraph of subdivision (d) of section 25-a of the
11 labor law, as amended by section 2 of part R of chapter 59 of the laws
12 of 2018, is amended to read as follows:

13 To participate in the program established under this section, an
14 employer must submit an application (in a form prescribed by the commis-
15 sioner) to the commissioner after January first, two thousand twelve but
16 no later than November thirtieth, two thousand twelve for program one,
17 after January first, two thousand fourteen but no later than November
18 thirtieth, two thousand fourteen for program two, after January first,
19 two thousand fifteen but no later than November thirtieth, two thousand
20 fifteen for program three, after January first, two thousand sixteen but
21 no later than November thirtieth, two thousand sixteen for program four,
22 after January first, two thousand seventeen but no later than November
23 thirtieth, two thousand seventeen for program five, after January first,
24 two thousand eighteen but no later than November thirtieth, two thousand
25 eighteen for program six, after January first, two thousand nineteen but
26 no later than November thirtieth, two thousand nineteen for program
27 seven, after January first, two thousand twenty but no later than Novem-
28 ber thirtieth, two thousand twenty for program eight, after January
29 first, two thousand twenty-one but no later than November thirtieth, two
30 thousand twenty-one for program nine, [and] after January first, two
31 thousand twenty-two but no later than November thirtieth, two thousand
32 twenty-two for program ten, after January first, two thousand twenty-
33 three but no later than November thirtieth, two thousand twenty-three
34 for program eleven, after January first, two thousand twenty-four but no
35 later than November thirtieth, two thousand twenty-four for program
36 twelve, after January first, two thousand twenty-five but no later than
37 November thirtieth, two thousand twenty-five for program thirteen, after
38 January first, two thousand twenty-six but no later than November thir-
39 tieth, two thousand twenty-six for program fourteen, and after January
40 first, two thousand twenty-seven but no later than November thirtieth,
41 two thousand twenty-seven for program fifteen. The qualified employees
42 must start their employment on or after January first, two thousand
43 twelve but no later than December thirty-first, two thousand twelve for
44 program one, on or after January first, two thousand fourteen but no
45 later than December thirty-first, two thousand fourteen for program two,
46 on or after January first, two thousand fifteen but no later than Decem-
47 ber thirty-first, two thousand fifteen for program three, on or after
48 January first, two thousand sixteen but no later than December thirty-
49 first, two thousand sixteen for program four, on or after January first,
50 two thousand seventeen but no later than December thirty-first, two
51 thousand seventeen for program five, on or after January first, two
52 thousand eighteen but no later than December thirty-first, two thousand
53 eighteen for program six, on or after January first, two thousand nine-
54 teen but no later than December thirty-first, two thousand nineteen for
55 program seven, on or after January first, two thousand twenty but no
56 later than December thirty-first, two thousand twenty for program eight,

1 on or after January first, two thousand twenty-one but no later than
2 December thirty-first, two thousand twenty-one for program nine, [and]
3 on or after January first, two thousand twenty-two but no later than
4 December thirty-first, two thousand twenty-two for program ten, on or
5 after January first, two thousand twenty-three but no later than Decem-
6 ber thirty-first, two thousand three for program eleven, on or after
7 January first, two thousand twenty-four but no later than December thir-
8 ty-first, two thousand twenty-four for program twelve, on or after Janu-
9 ary first, two thousand twenty-five but no later than December thirty-
10 first, two thousand twenty-five for program thirteen, on or after
11 January first, two thousand twenty-six but no later than December thir-
12 ty-first, two thousand twenty-six for program fourteen, and on or after
13 January first, two thousand twenty-seven but no later than December
14 thirty-first, two thousand twenty-seven for program fifteen. As part of
15 such application, an employer must:

16 § 4. This act shall take effect immediately.

17

PART O

18 Section 1. Subdivision (a) of section 25-c of the labor law, as added
19 by section 1 of subpart B of part N of chapter 59 of the laws of 2017,
20 is amended to read as follows:

21 (a) The commissioner is authorized to establish and administer the
22 empire state apprenticeship tax credit program to provide tax incentives
23 to certified employers for employing qualified apprentices pursuant to
24 an apprenticeship agreement registered with the department pursuant to
25 paragraph (d) of subdivision one of section eight hundred eleven of this
26 chapter. The commissioner is authorized to allocate up to ten million
27 dollars of tax credits annually, beginning in two thousand eighteen and
28 ending before two thousand [twenty-three] twenty-eight. Any unused annu-
29 al allocation of the credit shall be made available in each of the
30 subsequent years before two thousand [twenty-three] twenty-eight.

31 § 2. This act shall take effect immediately.

32

PART P

33 Section 1. Subdivision 6 of section 187-b of the tax law, as amended
34 by section 1 of part O of chapter 59 of the laws of 2017, is amended to
35 read as follows:

36 6. Termination. The credit allowed by subdivision two of this section
37 shall not apply in taxable years beginning after December thirty-first,
38 two thousand [twenty-two] twenty-seven.

39 § 2. Paragraph (f) of subdivision 30 of section 210-B of the tax law,
40 as amended by section 2 of part O of chapter 59 of the laws of 2017, is
41 amended to read as follows:

42 (f) Termination. The credit allowed by paragraph (b) of this subdivi-
43 sion shall not apply in taxable years beginning after December thirty-
44 first, two thousand [twenty-two] twenty-seven.

45 § 3. Paragraph 6 of subsection (p) of section 606 of the tax law, as
46 amended by section 3 of part O of chapter 59 of the laws of 2017, is
47 amended to read as follows:

48 (6) Termination. The credit allowed by this subsection shall not apply
49 in taxable years beginning after December thirty-first, two thousand
50 [twenty-two] twenty-seven.

51 § 4. This act shall take effect immediately.

1

PART Q

2 Section 1. Section 5 of part MM of chapter 59 of the laws of 2014
3 amending the labor law and the tax law relating to the creation of the
4 workers with disabilities tax credit program, as amended by section 1 of
5 part E of chapter 59 of the laws of 2019, is amended to read as follows:

6 § 5. This act shall take effect January 1, 2015, and shall apply to
7 taxable years beginning on and after that date[; provided, however, that
8 this act shall expire and be deemed repealed January 1, 2023].

9 § 2. Section 25-b of the labor law is amended by adding a new subdivi-
10 sion (f) to read as follows:

11 (f) The tax credits provided under this program shall be applicable to
12 taxable periods beginning before January first, two thousand twenty-
13 nine.

14 § 3. This act shall take effect immediately.

15

PART R

16 Section 1. Subdivision 1-A of section 208 of the tax law, as amended
17 by section 4 of part A of chapter 59 of the laws of 2014, is amended to
18 read as follows:

19 1-A. The term "New York S corporation" means, with respect to any
20 taxable year, a corporation subject to tax under this article [for which
21 an election is in effect pursuant to] and described in paragraph (i) or
22 (ii) of subsection (a) of section six hundred sixty of this chapter [for
23 such year], and any such year shall be denominated a "New York S year" [,
24 and such election shall be denominated a "New York S election"]. The
25 term "New York C corporation" means, with respect to any taxable year, a
26 corporation subject to tax under this article which is not a New York S
27 corporation, and any such year shall be denominated a "New York C year".
28 The term "termination year" means any taxable year of a corporation
29 during which the corporation's status as a New York S [election] corpo-
30 ration terminates on a day other than the first day of such year. The
31 portion of the taxable year ending before the first day for which such
32 termination is effective shall be denominated the "S short year", and
33 the portion of such year beginning on such first day shall be denomi-
34 nated the "C short year". The term "New York S termination year" means
35 any termination year which is [not] also an S termination year for
36 federal purposes.

37 § 2. Subdivision 1-B and subparagraph (ii) of the opening paragraph
38 and paragraph (k) of subdivision 9 of section 208 of the tax law are
39 REPEALED.

40 § 3. Subparagraph (A) and the opening paragraph of subparagraph (B) of
41 paragraph 5 of subdivision (a) of section 292 of the tax law, as added
42 by section 48 of part A of chapter 389 of the laws of 1997, are amended
43 to read as follows:

44 (A) In the case of a shareholder of an S corporation,

45 (i) [where the election provided for in] subject to subsection (a) of
46 section six hundred sixty of this chapter [is in effect with respect to
47 such corporation], there shall be added to federal unrelated business
48 taxable income an amount equal to the shareholder's pro rata share of
49 the corporation's reductions for taxes described in paragraphs two and
50 three of subsection (f) of section thirteen hundred sixty-six of the
51 internal revenue code, and

52 (ii) [where such election has not been made with respect to such
53 corporation, there shall be subtracted from federal unrelated business

1 taxable income any items of income of the corporation included therein,
2 and there shall be added to federal unrelated business taxable income
3 any items of loss or deduction included therein, and

4 (iii)] in the case of a New York S termination year, the amount of any
5 such items of S corporation income, loss, deduction and reductions for
6 taxes shall be adjusted in the manner provided in paragraph two or three
7 of subsection (s) of section six hundred twelve of this chapter.

8 In the case of a shareholder of a corporation which was, for any of
9 its taxable years beginning after nineteen hundred ninety-seven and
10 before two thousand twenty-three, a federal S corporation but a New York
11 C corporation:

12 § 4. Paragraph 18 of subsection (b) of section 612 of the tax law, as
13 amended by chapter 606 of the laws of 1984, subparagraph (A) as amended
14 by chapter 28 of the laws of 1987 and subparagraph (B) as amended by
15 chapter 190 of the laws of 1990, is amended to read as follows:

16 (18) In the case of a shareholder of an S corporation as described in
17 subsection (a) of section six hundred sixty

18 (A) [where the election provided for in subsection (a) of section six
19 hundred sixty is in effect with respect to such corporation,] an amount
20 equal to [his] such shareholder's pro rata share of the corporation's
21 reductions for taxes described in paragraphs two and three of subsection
22 (f) of section thirteen hundred sixty-six of the internal revenue code,
23 and

24 (B) in the case of a New York S termination year, subparagraph (A) of
25 this paragraph shall apply to the amount of reductions for taxes deter-
26 mined under subsection (s) of this section.

27 § 5. Paragraph 19 of subsection (b) of section 612 of the tax law is
28 REPEALED.

29 § 6. Paragraphs 20 and 21 of subsection (b) of section 612 of the tax
30 law, paragraph 20 as amended by chapter 606 of the laws of 1984 and
31 paragraph 21 as amended by section 70 of part A of chapter 59 of the
32 laws of 2014, are amended to read as follows:

33 (20) S corporation distributions to the extent not included in federal
34 gross income for the taxable year because of the application of section
35 thirteen hundred sixty-eight, subsection (e) of section thirteen hundred
36 seventy-one or subsection (c) of section thirteen hundred seventy-nine
37 of the internal revenue code which represent income not previously
38 subject to tax under this article because the election provided for in
39 subsection (a) of section six hundred sixty in effect for taxable years
40 beginning before January first, two thousand twenty-three had not been
41 made. Any such distribution treated in the manner described in paragraph
42 two of subsection (b) of section thirteen hundred sixty-eight of the
43 internal revenue code for federal income tax purposes shall be treated
44 as ordinary income for purposes of this article.

45 (21) In relation to the disposition of stock or indebtedness of a
46 corporation which elected under subchapter s of chapter one of the
47 internal revenue code for any taxable year of such corporation begin-
48 ning, in the case of a corporation taxable under article nine-A of this
49 chapter, after December thirty-first, nineteen hundred eighty and before
50 January first, two thousand twenty-three, the amount required to be
51 added to federal adjusted gross income pursuant to subsection (n) of
52 this section.

53 § 7. Paragraph 21 of subsection (c) of section 612 of the tax law, as
54 amended by section 70 of part A of chapter 59 of the laws of 2014, is
55 amended to read as follows:

1 (21) In relation to the disposition of stock or indebtedness of a
2 corporation which elected under subchapter s of chapter one of the
3 internal revenue code for any taxable year of such corporation begin-
4 ning, in the case of a corporation taxable under article nine-A of this
5 chapter, after December thirty-first, nineteen hundred eighty and before
6 January first, two thousand twenty-three, the amounts required to be
7 subtracted from federal adjusted gross income pursuant to subsection (n)
8 of this section.

9 § 8. Paragraph 22 of subsection (c) of section 612 of the tax law is
10 REPEALED.

11 § 9. Subsection (e) of section 612 of the tax law, as amended by chap-
12 ter 166 of the laws of 1991, paragraph 3 as added by chapter 760 of the
13 laws of 1992, is amended to read as follows:

14 (e) Modifications of partners and shareholders of S corporations. (1)
15 Partners and shareholders of S corporations [which are not New York C
16 corporations]. The amounts of modifications required to be made under
17 this section by a partner or by a shareholder of an S corporation
18 [(other than an S corporation which is a New York C corporation)], which
19 relate to partnership or S corporation items of income, gain, loss or
20 deduction shall be determined under section six hundred seventeen and,
21 in the case of a partner of a partnership doing an insurance business as
22 a member of the New York insurance exchange described in section six
23 thousand two hundred one of the insurance law, under section six hundred
24 seventeen-a of this article.

25 (2) [Shareholders of S corporations which are New York C corporations.
26 In the case of a shareholder of an S corporation which is a New York C
27 corporation, the modifications under this section which relate to the
28 corporation's items of income, loss and deduction shall not apply,
29 except for the modifications provided under paragraph nineteen of
30 subsection (b) and paragraph twenty-two of subsection (c) of this
31 section.

32 (3)] New York S termination year. In the case of a New York S termi-
33 nation year, the amounts of the modifications required under this
34 section which relate to the S corporation's items of income, loss,
35 deduction and reductions for taxes (as described in paragraphs two and
36 three of subsection (f) of section thirteen hundred sixty-six of the
37 internal revenue code) shall be adjusted in the same manner that the S
38 corporation's items are adjusted under subsection (s) of section six
39 hundred twelve.

40 § 10. Subsection (n) of section 612 of the tax law, as amended by
41 section 61 of part A of chapter 389 of the laws of 1997, is amended to
42 read as follows:

43 (n) Where gain or loss is recognized for federal income tax purposes
44 upon the disposition of stock or indebtedness of a corporation electing
45 under subchapter s of chapter one of the internal revenue code

46 (1) There shall be added to federal adjusted gross income the amount
47 of increase in basis with respect to such stock or indebtedness pursuant
48 to subsection (a) of section thirteen hundred seventy-six of the inter-
49 nal revenue code as such section was in effect for taxable years begin-
50 ning before January first, nineteen hundred eighty-three and subpara-
51 graphs (A) and (B) of paragraph one of subsection (a) of section
52 thirteen hundred sixty-seven of such code, for each taxable year of the
53 corporation beginning, in the case of a corporation taxable under arti-
54 cle nine-A of this chapter, after December thirty-first, nineteen
55 hundred eighty and before January first, two thousand twenty-three, and
56 in the case of a corporation taxable under former article thirty-two of

1 this chapter, after December thirty-first, nineteen hundred ninety-six
2 and before January first, two thousand fifteen, for which the election
3 provided for in subsection (a) of section six hundred sixty of this
4 article was not in effect, and

5 (2) There shall be subtracted from federal adjusted gross income

6 (A) the amount of reduction in basis with respect to such stock or
7 indebtedness pursuant to subsection (b) of section thirteen hundred
8 seventy-six of the internal revenue code as such section was in effect
9 for taxable years beginning before January first, nineteen hundred
10 eighty-three and subparagraphs (B) and (C) of paragraph two of
11 subsection (a) of section thirteen hundred sixty-seven of such code, for
12 each taxable year of the corporation beginning, in the case of a corpo-
13 ration taxable under article nine-A of this chapter, after December
14 thirty-first, nineteen hundred eighty and before January first, two
15 thousand twenty-three, and in the case of a corporation taxable under
16 former article thirty-two of this chapter, after December thirty-first,
17 nineteen hundred ninety-six and before January first, two thousand
18 fifteen, for which the election provided for in subsection (a) of
19 section six hundred sixty of this article was not in effect and

20 (B) the amount of any modifications to federal gross income with
21 respect to such stock pursuant to paragraph twenty of subsection (b) of
22 this section.

23 § 11. Paragraph 6 of subsection (c) of section 615 of the tax law is
24 REPEALED.

25 § 12. Subsection (e) of section 615 of the tax law, as amended by
26 chapter 760 of the laws of 1992, is amended to read as follows:

27 (e) Modifications of partners and shareholders of S corporations. (1)
28 Partners and shareholders of S corporations [which are not New York C
29 corporations]. The amounts of modifications under subsection (c) or
30 under paragraph (2) or (3) of subsection (d) required to be made by a
31 partner or by a shareholder of an S corporation [(other than an S corpo-
32 ration which is a New York C corporation)], with respect to items of
33 deduction of a partnership or S corporation shall be determined under
34 section six hundred seventeen.

35 (2) [Shareholders of S corporations which are New York C corporations.
36 In the case of a shareholder of an S corporation which is a New York C
37 corporation, the modifications under this section which relate to the
38 corporation's items of deduction shall not apply, except for the modifi-
39 cation provided under paragraph six of subsection (c).

40 (3)] New York S termination year. In the case of a New York S termi-
41 nation year, the amounts of the modifications required under this
42 section which relate to the S corporation's items of deduction shall be
43 adjusted in the same manner that the S corporation's items are adjusted
44 under subsection (s) of section six hundred twelve.

45 § 13. Subsection (a) of section 617 of the tax law, as amended by
46 chapter 190 of the laws of 1990, is amended to read as follows:

47 (a) Partner's and shareholder's modifications. In determining New York
48 adjusted gross income and New York taxable income of a resident partner
49 or a resident shareholder of an S corporation [(other than an S corpo-
50 ration which is a New York C corporation)], any modification described
51 in subsections (b), (c) or (d) of section six hundred twelve, subsection
52 (c) of section six hundred fifteen or paragraphs (2) or (3) of
53 subsection (d) of such section, which relates to an item of partnership
54 or S corporation income, gain, loss or deduction shall be made in
55 accordance with the partner's distributive share or the shareholder's
56 pro rata share, for federal income tax purposes, of the item to which

1 the modification relates. Where a partner's distributive share or a
2 shareholder's pro rata share of any such item is not required to be
3 taken into account separately for federal income tax purposes, the part-
4 ner's or shareholder's share of such item shall be determined in accord-
5 ance with his or her share, for federal income tax purposes, of partner-
6 ship or S corporation taxable income or loss generally. In the case of a
7 New York S termination year, his or her pro rata share of any such item
8 shall be determined under subsection (s) of section six hundred twelve.

9 § 14. Subparagraph (E-1) of paragraph 1 of subsection (b) of section
10 631 of the tax law, as added by section 3 of part C of chapter 57 of the
11 laws of 2010, is amended to read as follows:

12 (E-1) in the case of an S corporation [for which an election is in
13 effect pursuant] subject to subsection (a) of section six hundred sixty
14 of this article that terminates its taxable status in New York, any
15 income or gain recognized on the receipt of payments from an installment
16 sale contract entered into when the S corporation was subject to tax in
17 New York, allocated in a manner consistent with the applicable methods
18 and rules for [allocation] apportionment under article nine-A or former
19 article thirty-two of this chapter, in the year that the S corporation
20 sold its assets.

21 § 15. The section heading and paragraph 2 of subsection (a) of section
22 632 of the tax law, the section heading as amended by chapter 606 of the
23 laws of 1984, and paragraph 2 of subsection (a) as amended by section 71
24 of part A of chapter 59 of the laws of 2014, are amended to read as
25 follows:

26 Nonresident partners and [electing] shareholders of S corporations.

27 (2) In determining New York source income of a nonresident shareholder
28 of an S corporation [where the election provided for in] subject to
29 subsection (a) of section six hundred sixty of this article [is in
30 effect], there shall be included only the portion derived from or
31 connected with New York sources of such shareholder's pro rata share of
32 items of S corporation income, loss and deduction entering into [his]
33 such shareholder's federal adjusted gross income, increased by
34 reductions for taxes described in paragraphs two and three of subsection
35 (f) of section thirteen hundred sixty-six of the internal revenue code,
36 as such portion shall be determined under regulations of the commission-
37 er consistent with the applicable methods and rules for [allocation]
38 apportionment under article nine-A of this chapter[, regardless of
39 whether or not such item or reduction is included in entire net income
40 under article nine-A for the tax year]. If a nonresident is a sharehold-
41 er in an S corporation [where the election provided for in] subject to
42 subsection (a) of section six hundred sixty of this article [is in
43 effect], and the S corporation has distributed an installment obligation
44 under section 453(h)(1)(A) of the Internal Revenue Code, then any gain
45 recognized on the receipt of payments from the installment obligation
46 for federal income tax purposes will be treated as New York source
47 income allocated in a manner consistent with the applicable methods and
48 rules for [allocation] apportionment under article nine-A of this chap-
49 ter in the year that the assets were sold. In addition, if the share-
50 holders of the S corporation have made an election under section
51 338(h)(10) of the Internal Revenue Code, then any gain recognized on the
52 deemed asset sale for federal income tax purposes will be treated as New
53 York source income allocated in a manner consistent with the applicable
54 methods and rules for [allocation] apportionment under article nine-A of
55 this chapter in the year that the shareholder made the section
56 338(h)(10) election. For purposes of a section 338(h)(10) election, when

1 a nonresident shareholder exchanges his or her S corporation stock as
2 part of the deemed liquidation, any gain or loss recognized shall be
3 treated as the disposition of an intangible asset and will not increase
4 or offset any gain recognized on the deemed assets sale as a result of
5 the section 338(h)(10) election.

6 § 16. Subsection (a) of section 632-a of the tax law, as added by
7 section 1 of part K of chapter 60 of the laws of 2007, is amended to
8 read as follows:

9 (a) General. If (1) substantially all of the services of a personal
10 service corporation or S corporation are performed for or on behalf of
11 another corporation, partnership, or other entity and (2) the effect of
12 forming or availing of such personal service corporation or S corpo-
13 ration is the avoidance or evasion of New York income tax by reducing
14 the income of, or in the case of a nonresident, reducing the New York
15 source income of, or securing the benefit of any expense, deduction,
16 credit, exclusion, or other allowance for, any employee-owner which
17 would not otherwise be available, then the commissioner may allocate all
18 income, deductions, credits, exclusions, and other allowances between
19 such personal service corporation or S corporation (even if such
20 personal service corporation or S corporation [is taxed under article
21 nine-A of this chapter or] is not subject to tax in this state) and its
22 employee-owners, provided such allocation is necessary to prevent avoid-
23 ance or evasion of New York state income tax or to clearly reflect the
24 source and the amount of the income of the personal service corporation
25 or S corporation or any of its employee-owners.

26 § 17. Paragraph 2 and subparagraph (A) of paragraph 4 of subsection
27 (c) of section 658 of the tax law, paragraph 2 as amended by chapter 190
28 of the laws of 1990, and subparagraph (A) of paragraph 4 as amended by
29 section 72 of part A of chapter 59 of the laws of 2014, are amended to
30 read as follows:

31 (2) S corporations. Every S corporation [for which the election
32 provided for in] subject to subsection (a) of section six hundred sixty
33 [is in effect] shall make a return for the taxable year setting forth
34 all items of income, loss and deduction and such other pertinent infor-
35 mation as the commissioner of taxation and finance may by regulations
36 and instructions prescribe. Such return shall be filed on or before the
37 fifteenth day of the third month following the close of each taxable
38 year.

39 (A) General. Every entity which is a partnership, other than a public-
40 ly traded partnership as defined in section 7704 of the federal Internal
41 Revenue Code, subchapter K limited liability company or an S corporation
42 [for which the election provided for in subsection (a) of section six
43 hundred sixty of this part is in effect], which has partners, members or
44 shareholders who are nonresident individuals, as defined under
45 subsection (b) of section six hundred five of this article, or C corpo-
46 rations, and which has any income derived from New York sources, deter-
47 mined in accordance with the applicable rules of section six hundred
48 thirty-one of this article as in the case of a nonresident individual,
49 shall pay estimated tax on such income on behalf of such partners,
50 members or shareholders in the manner and at the times prescribed by
51 subsection (c) of section six hundred eighty-five of this article. For
52 purposes of this paragraph, the term "estimated tax" shall mean a part-
53 ner's, member's or shareholder's distributive share or pro rata share of
54 the entity income derived from New York sources, multiplied by the high-
55 est rate of tax prescribed by section six hundred one of this article
56 for the taxable year of any partner, member or shareholder who is an

1 individual taxpayer, or paragraph (a) of subdivision one of section two
2 hundred ten of this chapter for the taxable year of any partner, member
3 or shareholder which is a C corporation, whether or not such C corpo-
4 ration is subject to tax under article nine, nine-A or thirty-three of
5 this chapter, and reduced by the distributive share or pro rata share of
6 any credits determined under section one hundred eighty-seven, one
7 hundred eighty-seven-a, six hundred six or fifteen hundred eleven of
8 this chapter, whichever is applicable, derived from the entity.

9 § 18. Section 660 of the tax law, as amended by chapter 606 of the
10 laws of 1984, subsections (a) and (h) as amended by section 73 of part A
11 of chapter 59 of the laws of 2014, paragraph 3 of subsection (b) as
12 amended by section 51, paragraphs 4 and 5 of subsection (b) as added and
13 paragraph 6 of subsection (b) as renumbered by section 52 and
14 subsections (e) and (f) as added and subsection (g) as relettered by
15 section 53 of part A of chapter 389 of the laws of 1997, subsection (d)
16 as added by chapter 760 of the laws of 1992, subsection (i) as added by
17 section 1 of part L of chapter 60 of the laws of 2007 and paragraph 1 of
18 subsection (i) as amended by section 39 of part T of chapter 59 of the
19 laws of 2015, is amended to read as follows:

20 § 660. [Election by shareholders of S corporations] Tax treatment of
21 federal S corporations. (a) [Election.] If a corporation is an eligible
22 S corporation, the shareholders of the corporation [may elect in the
23 manner set forth in subsection (b) of this section to] shall take into
24 account, to the extent provided for in this article (or in article thir-
25 teen of this chapter, in the case of a shareholder which is a taxpayer
26 under such article), the S corporation items of income, loss, deduction
27 and reductions for taxes described in paragraphs two and three of
28 subsection (f) of section thirteen hundred sixty-six of the internal
29 revenue code which are taken into account for federal income tax
30 purposes for the taxable year. [No election under this subsection shall
31 be effective unless all shareholders of the corporation have so
32 elected.] An eligible S corporation is (i) [an S] a corporation that has
33 elected to be an S corporation for federal income tax purposes pursuant
34 to section thirteen hundred sixty-two of the internal revenue code which
35 is subject to tax under article nine-A of this chapter, or (ii) [an S] a
36 corporation that has elected to be an S corporation for federal income
37 tax purposes pursuant to section thirteen hundred sixty-two of the
38 internal revenue code which is the parent of a qualified subchapter S
39 subsidiary as defined in subparagraph (B) of paragraph three of
40 subsection (b) of section thirteen hundred sixty-one of the internal
41 revenue code subject to tax under article nine-A[, where the sharehold-
42 ers of such parent corporation are entitled to make the election under
43 this subsection by reason of subparagraph three of paragraph (k) of
44 subdivision nine of section two hundred eight] of this chapter.

45 (b) [Requirements of election. An election under subsection (a) of
46 this section shall be made on such form and in such manner as the tax
47 commission may prescribe by regulation or instruction.

48 (1) When made. An election under subsection (a) of this section may be
49 made at any time during the preceding taxable year of the corporation or
50 at any time during the taxable year of the corporation and on or before
51 the fifteenth day of the third month of such taxable year.

52 (2) Certain elections made during first two and one-half months. If an
53 election made under subsection (a) of this section is made for any taxa-
54 ble year of the corporation during such year and on or before the
55 fifteenth day of the third month of such year, such election shall be
56 treated as made for the following taxable year if

1 (A) on one or more days in such taxable year before the day on which
2 the election was made the corporation did not meet the requirements of
3 subsection (b) of section thirteen hundred sixty-one of the internal
4 revenue code or

5 (B) one or more of the shareholders who held stock in the corporation
6 during such taxable year and before the election was made did not
7 consent to the election.

8 (3) Elections made after first two and one-half months. If an election
9 under subsection (a) of this section is made for any taxable year of the
10 corporation and such election is made after the fifteenth day of the
11 third month of such taxable year and on or before the fifteenth day of
12 the third month of the following taxable year, such election shall be
13 treated as made for the following taxable year.

14 (4) Taxable years of two and one-half months or less. For purposes of
15 this subsection, an election for a taxable year made not later than two
16 months and fifteen days after the first day of the taxable year shall be
17 treated as timely made during such year.

18 (5) Authority to treat late elections, etc., as timely. If (A) an
19 election under subsection (a) of this section is made for any taxable
20 year (determined without regard to paragraph three of this subsection)
21 after the date prescribed by this subsection for making such election
22 for such taxable year, or if no such election is made for any taxable
23 year, and

24 (B) the commissioner determines that there was reasonable cause for
25 failure to timely make such election, then

26 (C) the commissioner may treat such an election as timely made for
27 such taxable year (and paragraph three of this subsection shall not
28 apply).

29 (6) Years for which effective. An election under subsection (a) of
30 this section shall be effective for the taxable year of the corporation
31 for which it is made and for all succeeding taxable years of the corpo-
32 ration until such election is terminated under subsection (c) of this
33 section.

34 (c) Termination. An [election under] eligible S corporation shall
35 cease to be subject to subsection (a) of this section [shall cease to be
36 effective

37 (1)] on the day an election to be an S corporation ceases to be effec-
38 tive for federal income tax purposes pursuant to subsection (d) of
39 section thirteen hundred sixty-two of the internal revenue code[, or

40 (2) if shareholders holding more than one-half of the shares of stock
41 of the corporation on the day on which the revocation is made revoke
42 such election in the manner the tax commission may prescribe by regu-
43 lation,

44 (A) on the first day of the taxable year of the corporation, if the
45 revocation is made during such taxable year and on or before the
46 fifteenth day of the third month thereof, or

47 (B) on the first day of the following taxable year of the corporation,
48 if the revocation is made during the taxable year but after the
49 fifteenth day of the third month thereof, or

50 (C) on and after the date so specified, if the revocation specifies a
51 date for revocation which is on or after the day on which the revocation
52 is made, or

53 (3) if any person who was not a shareholder of the corporation on the
54 day on which the election is made becomes a shareholder in the corpo-
55 ration and affirmatively refuses to consent to such election in the

1 manner the tax commission may prescribe by regulation, on the day such
2 person becomes a shareholder].

3 [(d)] (c) New York S termination year. In the case of a New York S
4 termination year, the amount of any item of S corporation income, loss
5 and deduction and reductions for taxes (as described in paragraphs two
6 and three of subsection (f) of section thirteen hundred sixty-six of the
7 internal revenue code) required to be taken account of under this arti-
8 cle shall be adjusted in the same manner that the S corporation's items
9 which are included in the shareholder's federal adjusted gross income
10 are adjusted under subsection (s) of section six hundred twelve.

11 [(e) Inadvertent invalid elections. If (1) an election under
12 subsection (a) of this section was not effective for the taxable year
13 for which made (determined without regard to paragraph two of subsection
14 (b) of this section) by reason of a failure to obtain shareholder
15 consents,

16 (2) the commissioner determines that the circumstances resulting in
17 such ineffectiveness were inadvertent,

18 (3) no later than a reasonable period of time after discovery of the
19 circumstances resulting in such ineffectiveness, steps were taken to
20 acquire the required shareholder consents, and

21 (4) the corporation, and each person who was a shareholder in the
22 corporation at any time during the period specified pursuant to this
23 subsection, agrees to make such adjustments (consistent with the treat-
24 ment of the corporation as a New York S corporation) as may be required
25 by the commissioner with respect to such period,

26 (5) then, notwithstanding the circumstances resulting in such ineffec-
27 tiveness, such corporation shall be treated as a New York S corporation
28 during the period specified by the commissioner.

29 (f)] (d) Qualified subchapter S subsidiaries. If an S corporation has
30 elected to treat its wholly owned subsidiary as a qualified subchapter S
31 subsidiary for federal income tax purposes under paragraph three of
32 subsection (b) of section thirteen hundred sixty-one of the internal
33 revenue code, such election shall be applicable for New York state tax
34 purposes and

35 (1) the assets, liabilities, income, deductions, property, payroll,
36 receipts, capital, credits, and all other tax attributes and elements of
37 economic activity of the subsidiary shall be deemed to be those of the
38 parent corporation,

39 (2) transactions between the parent corporation and the subsidiary,
40 including the payment of interest and dividends, shall not be taken into
41 account, and

42 (3) general executive officers of the subsidiary shall be deemed to be
43 general executive officers of the parent corporation.

44 (e) Validated federal elections. If [(1) an election under subsection
45 (a) of this section was made for a taxable year or years of a corpo-
46 ration, which years occur with or within the period for which] the
47 federal S election of [such] an eligible S corporation has been vali-
48 dated pursuant to the provisions of subsection (f) of section thirteen
49 hundred sixty-two of the internal revenue code, [and

50 (2) the corporation, and each person who was a shareholder in the
51 corporation at any time during such taxable year or years agrees to make
52 such adjustments (consistent with the treatment of the corporation as a
53 New York S corporation) as may be required by the commissioner with
54 respect to such year or years,

1 (3) then] such corporation shall be treated as [a New York] an eligi-
2 ble S corporation subject to subsection (a) of this section during
3 [such] the year or years for which such election has been validated.

4 [(g) Transitional rule. Any election made under this section (as in
5 effect for taxable years beginning before January first, nineteen
6 hundred eighty-three) shall be treated as an election made under
7 subsection (a) of this section.

8 (h) Cross reference. For definitions relating to S corporations, see
9 subdivision one-A of section two hundred eight of this chapter.

10 (i) Mandated New York S corporation election. (1) Notwithstanding the
11 provisions in subsection (a) of this section, in the case of an eligible
12 S corporation for which the election under subsection (a) of this
13 section is not in effect for the current taxable year, the shareholders
14 of an eligible S corporation are deemed to have made that election
15 effective for the eligible S corporation's entire current taxable year,
16 if the eligible S corporation's investment income for the current taxa-
17 ble year is more than fifty percent of its federal gross income for such
18 year. In determining whether an eligible S corporation is deemed to have
19 made that election, the income of a qualified subchapter S subsidiary
20 owned directly or indirectly by the eligible S corporation shall be
21 included with the income of the eligible S corporation.

22 (2) For the purposes of this subsection, the term "eligible S corpo-
23 ration" has the same definition as in subsection (a) of this section.

24 (3) For the purposes of this subsection, the term "investment income"
25 means the sum of an eligible S corporation's gross income from interest,
26 dividends, royalties, annuities, rents and gains derived from dealings
27 in property, including the corporation's share of such items from a
28 partnership, estate or trust, to the extent such items would be includa-
29 ble in federal gross income for the taxable year.

30 (4) Estimated tax payments. When making estimated tax payments
31 required to be made under this chapter in the current tax year, the
32 eligible S corporation and its shareholders may rely on the eligible S
33 corporation's filing status for the prior year. If the eligible S corpo-
34 ration's filing status changes from the prior tax year the corporation
35 or the shareholders, as the case may be, which made the payments shall
36 be entitled to a refund of such estimated tax payments. No additions to
37 tax with respect to any required declarations or payments of estimated
38 tax imposed under this chapter shall be imposed on the corporation or
39 shareholders, whichever is the taxpayer for the current taxable year, if
40 the corporation or the shareholders file such declarations and make such
41 estimated tax payments by January fifteenth of the following calendar
42 year, regardless of whether the taxpayer's tax year is a calendar or a
43 fiscal year.]

44 § 19. Transition rules. Any prior net operating loss conversion
45 subtraction and net operating loss carryforward that otherwise would
46 have been allowed under subparagraphs (viii) and (ix), respectively, of
47 paragraph (a) of subdivision 1 of section 210 of the tax law for the
48 taxable years beginning on or after January 1, 2023 to any taxpayer that
49 was a New York C corporation for a taxable year beginning on or after
50 January 1, 2022 and before January 1, 2023, and that becomes a New York
51 S corporation for a taxable year beginning on or after January 1, 2023
52 as a result of the amendments made by this act, shall be held in abey-
53 ance and be available to such taxpayer if its election to be a federal S
54 corporation is terminated. Further, any credit carryforwards allowed to
55 such a taxpayer under section 210-B of the tax law shall be held in
56 abeyance and be available to such taxpayer if its election to be a

1 federal S corporation is terminated. However, the taxpayer's years as a
2 New York S corporation shall be counted for purposes of computing any
3 time period applicable to the allowance of the prior net operating loss
4 conversion subtraction or carryforward, the net operating loss
5 deduction, or any credit carryforward.

6 § 20. This act shall take effect immediately and shall apply to taxa-
7 ble years beginning on or after January 1, 2023.

8

PART S

9 Section 1. Subparagraph (i) of paragraph (b) of subdivision 1 of
10 section 210-B of the tax law, as amended by section 2 of part P of chap-
11 ter 59 of the laws of 2017, is amended to read as follows:

12 (i) A credit shall be allowed under this subdivision with respect to
13 tangible personal property and other tangible property, including build-
14 ings and structural components of buildings, which are: depreciable
15 pursuant to section one hundred sixty-seven of the internal revenue
16 code, have a useful life of four years or more, are acquired by purchase
17 as defined in section one hundred seventy-nine (d) of the internal
18 revenue code, have a situs in this state and are (A) principally used by
19 the taxpayer in the production of goods by manufacturing, processing,
20 assembling, refining, mining, extracting, farming, agriculture, horti-
21 culture, floriculture, viticulture or commercial fishing, (B) industrial
22 waste treatment facilities or air pollution control facilities, used in
23 the taxpayer's trade or business, (C) research and development property,
24 or (D) principally used in the ordinary course of the taxpayer's trade
25 or business as a broker or dealer in connection with the purchase or
26 sale (which shall include but not be limited to the issuance, entering
27 into, assumption, offset, assignment, termination, or transfer) of
28 stocks, bonds or other securities as defined in section four hundred
29 seventy-five (c) (2) of the Internal Revenue Code, or of commodities as
30 defined in section four hundred seventy-five (e) of the Internal Revenue
31 Code, (E) principally used in the ordinary course of the taxpayer's
32 trade or business of providing investment advisory services for a regu-
33 lated investment company as defined in section eight hundred fifty-one
34 of the Internal Revenue Code, or lending, loan arrangement or loan orig-
35 ination services to customers in connection with the purchase or sale
36 (which shall include but not be limited to the issuance, entering into,
37 assumption, offset, assignment, termination, or transfer) of securities
38 as defined in section four hundred seventy-five (c) (2) of the Internal
39 Revenue Code, (F) principally used in the ordinary course of the taxpay-
40 er's business as an exchange registered as a national securities
41 exchange within the meaning of sections 3(a) (1) and 6(a) of the Securi-
42 ties Exchange Act of 1934 or a board of trade as defined in subparagraph
43 one of paragraph (a) of section fourteen hundred ten of the not-for-pro-
44 fit corporation law or as an entity that is wholly owned by one or more
45 such national securities exchanges or boards of trade and that provides
46 automation or technical services thereto, or (G) principally used as a
47 qualified film production facility including qualified film production
48 facilities having a situs in an empire zone designated as such pursuant
49 to article eighteen-B of the general municipal law, where the taxpayer
50 is providing three or more services to any qualified film production
51 company using the facility, including such services as a studio lighting
52 grid, lighting and grip equipment, multi-line phone service, broadband
53 information technology access, industrial scale electrical capacity,
54 food services, security services, and heating, ventilation and air



1 conditioning. For purposes of clauses (D), (E) and (F) of this subpara-
2 graph, property purchased by a taxpayer affiliated with a regulated
3 broker, dealer, registered investment advisor, national securities
4 exchange or board of trade, is allowed a credit under this subdivision
5 if the property is used by its affiliated regulated broker, dealer,
6 registered investment advisor, national securities exchange or board of
7 trade in accordance with this subdivision. For purposes of determining
8 if the property is principally used in qualifying uses, the uses by the
9 taxpayer described in clauses (D) and (E) of this subparagraph may be
10 aggregated. In addition, the uses by the taxpayer, its affiliated regu-
11 lated broker, dealer and registered investment advisor under either or
12 both of those clauses may be aggregated. Provided, however, a taxpayer
13 shall not be allowed the credit provided by clauses (D), (E) and (F) of
14 this subparagraph unless the property is first placed in service before
15 October first, two thousand fifteen and (i) eighty percent or more of
16 the employees performing the administrative and support functions
17 resulting from or related to the qualifying uses of such equipment are
18 located in this state or (ii) the average number of employees that
19 perform the administrative and support functions resulting from or
20 related to the qualifying uses of such equipment and are located in this
21 state during the taxable year for which the credit is claimed is equal
22 to or greater than ninety-five percent of the average number of employ-
23 ees that perform these functions and are located in this state during
24 the thirty-six months immediately preceding the year for which the cred-
25 it is claimed, or (iii) the number of employees located in this state
26 during the taxable year for which the credit is claimed is equal to or
27 greater than ninety percent of the number of employees located in this
28 state on December thirty-first, nineteen hundred ninety-eight or, if the
29 taxpayer was not a calendar year taxpayer in nineteen hundred ninety-
30 eight, the last day of its first taxable year ending after December
31 thirty-first, nineteen hundred ninety-eight. If the taxpayer becomes
32 subject to tax in this state after the taxable year beginning in nine-
33 teen hundred ninety-eight, then the taxpayer is not required to satisfy
34 the employment test provided in the preceding sentence of this subpara-
35 graph for its first taxable year. For purposes of clause (iii) of this
36 subparagraph the employment test will be based on the number of employ-
37 ees located in this state on the last day of the first taxable year the
38 taxpayer is subject to tax in this state. If the uses of the property
39 must be aggregated to determine whether the property is principally used
40 in qualifying uses, then either each affiliate using the property must
41 satisfy this employment test or this employment test must be satisfied
42 through the aggregation of the employees of the taxpayer, its affiliated
43 regulated broker, dealer, and registered investment advisor using the
44 property. For purposes of clause (A) of this subparagraph, tangible
45 personal property and other tangible property shall not include property
46 principally used by the taxpayer (I) in the production or distribution
47 of electricity, natural gas after extraction from wells, steam, or water
48 delivered through pipes and mains, or (II) in the creation, production
49 or reproduction, in any medium, of any audio or visual recording,
50 including but not limited to films, television shows, commercials, and
51 musical recordings, or in the duplication, for purposes of broadcast in
52 any medium, of a master of any audio or visual recording, including but
53 not limited to films, television shows, commercials, and musical
54 recordings.



1 § 2. Subparagraph (A) of paragraph 2 of subsection (a) of section 606
2 of the tax law, as amended by section 3 of part P of chapter 59 of the
3 laws of 2017, is amended to read as follows:

4 (A) A credit shall be allowed under this subsection with respect to
5 tangible personal property and other tangible property, including build-
6 ings and structural components of buildings, which are: depreciable
7 pursuant to section one hundred sixty-seven of the internal revenue
8 code, have a useful life of four years or more, are acquired by purchase
9 as defined in section one hundred seventy-nine (d) of the internal
10 revenue code, have a situs in this state and are (i) principally used by
11 the taxpayer in the production of goods by manufacturing, processing,
12 assembling, refining, mining, extracting, farming, agriculture, horti-
13 culture, floriculture, viticulture or commercial fishing, (ii) indus-
14 trial waste treatment facilities or air pollution control facilities,
15 used in the taxpayer's trade or business, (iii) research and development
16 property, (iv) principally used in the ordinary course of the taxpayer's
17 trade or business as a broker or dealer in connection with the purchase
18 or sale (which shall include but not be limited to the issuance, enter-
19 ing into, assumption, offset, assignment, termination, or transfer) of
20 stocks, bonds or other securities as defined in section four hundred
21 seventy-five (c)(2) of the Internal Revenue Code, or of commodities as
22 defined in section 475(e) of the Internal Revenue Code, (v) principally
23 used in the ordinary course of the taxpayer's trade or business of
24 providing investment advisory services for a regulated investment compa-
25 ny as defined in section eight hundred fifty-one of the Internal Revenue
26 Code, or lending, loan arrangement or loan origination services to
27 customers in connection with the purchase or sale (which shall include
28 but not be limited to the issuance, entering into, assumption, offset,
29 assignment, termination, or transfer) of securities as defined in
30 section four hundred seventy-five (c)(2) of the Internal Revenue Code,
31 or (vi) principally used as a qualified film production facility includ-
32 ing qualified film production facilities having a situs in an empire
33 zone designated as such pursuant to article eighteen-B of the general
34 municipal law, where the taxpayer is providing three or more services to
35 any qualified film production company using the facility, including such
36 services as a studio lighting grid, lighting and grip equipment, multi-
37 line phone service, broadband information technology access, industrial
38 scale electrical capacity, food services, security services, and heat-
39 ing, ventilation and air conditioning. For purposes of clauses (iv) and
40 (v) of this subparagraph, property purchased by a taxpayer affiliated
41 with a regulated broker, dealer, or registered investment adviser is
42 allowed a credit under this subsection if the property is used by its
43 affiliated regulated broker, dealer or registered investment adviser in
44 accordance with this subsection. For purposes of determining if the
45 property is principally used in qualifying uses, the uses by the taxpay-
46 er described in clauses (iv) and (v) of this subparagraph may be aggre-
47 gated. In addition, the uses by the taxpayer, its affiliated regulated
48 broker, dealer and registered investment adviser under either or both of
49 those clauses may be aggregated. Provided, however, a taxpayer shall not
50 be allowed the credit provided by clauses (iv) and (v) of this subpara-
51 graph unless (I) eighty percent or more of the employees performing the
52 administrative and support functions resulting from or related to the
53 qualifying uses of such equipment are located in this state, or (II) the
54 average number of employees that perform the administrative and support
55 functions resulting from or related to the qualifying uses of such
56 equipment and are located in this state during the taxable year for

1 which the credit is claimed is equal to or greater than ninety-five
2 percent of the average number of employees that perform these functions
3 and are located in this state during the thirty-six months immediately
4 preceding the year for which the credit is claimed, or (III) the number
5 of employees located in this state during the taxable year for which the
6 credit is claimed is equal to or greater than ninety percent of the
7 number of employees located in this state on December thirty-first,
8 nineteen hundred ninety-eight or, if the taxpayer was not a calendar
9 year taxpayer in nineteen hundred ninety-eight, the last day of its
10 first taxable year ending after December thirty-first, nineteen hundred
11 ninety-eight. If the taxpayer becomes subject to tax in this state after
12 the taxable year beginning in nineteen hundred ninety-eight, then the
13 taxpayer is not required to satisfy the employment test provided in the
14 preceding sentence of this subparagraph for its first taxable year. For
15 the purposes of clause (III) of this subparagraph the employment test
16 will be based on the number of employees located in this state on the
17 last day of the first taxable year the taxpayer is subject to tax in
18 this state. If the uses of the property must be aggregated to determine
19 whether the property is principally used in qualifying uses, then either
20 each affiliate using the property must satisfy this employment test or
21 this employment test must be satisfied through the aggregation of the
22 employees of the taxpayer, its affiliated regulated broker, dealer, and
23 registered investment adviser using the property. For purposes of clause
24 (i) of this subparagraph, tangible personal property and other tangible
25 property shall not include property principally used by the taxpayer (a)
26 in the production or distribution of electricity, natural gas after
27 extraction from wells, steam, or water delivered through pipes and
28 mains, or (b) in the creation, production or reproduction, in any medi-
29 um, of any audio or visual recording, including but not limited to
30 films, television shows, commercials, and musical recordings, or in the
31 duplication, for purposes of broadcast in any medium, of a master of any
32 audio or visual recording, including but not limited to films, tele-
33 vision shows, commercials, and musical recordings.

34 § 3. This act shall take effect immediately, and shall apply to prop-
35 erty placed in service on or after January 1, 2023.

36

PART T

37 Section 1. Section 301-b of the tax law is amended by adding a new
38 subdivision (j) to read as follows:

39 (j) Exemption for tugboats and towboats. The use by a tugboat or
40 towboat of motor fuel, diesel motor fuel, or residual petroleum product.
41 Provided, that the commissioner shall require such documentary proof to
42 qualify for any exemption provided hereunder as the commissioner deems
43 appropriate.

44 § 2. The opening paragraph of section 301-c of the tax law, as amended
45 by section 5 of part W-1 of chapter 109 of the laws of 2006, is amended
46 to read as follows:

47 A subsequent purchaser shall be eligible for reimbursement of tax with
48 respect to the following gallonage, subsequently sold by such purchaser
49 in accordance with subdivision (a), (b), (e), (h), (j), (k), (n) or (o)
50 of this section or used by such purchaser in accordance with subdivision
51 (c), (d), (f), (g), (i), (l) [or], (m) or (q) of this section, which
52 gallonage has been included in the measure of the tax imposed by this
53 article on a petroleum business:



1 § 3. The opening paragraph of section 301-c of the tax law, as amended
2 by chapter 468 of the laws of 2000, is amended to read as follows:

3 A subsequent purchaser shall be eligible for reimbursement of tax with
4 respect to the following gallonage, subsequently sold by such purchaser
5 in accordance with subdivision (a), (b), (e), (h), (j) or (k) of this
6 section or used by such purchaser in accordance with subdivision (c),
7 (d), (f), (g), (i), (l) [or], (m) or (q) of this section, which gallo-
8 nage has been included in the measure of the tax imposed by this article
9 on a petroleum business:

10 § 4. Section 301-c of the tax law is amended by adding a new subdivi-
11 sion (q) to read as follows:

12 (q) Reimbursement for tugboats and towboats. A use by a tugboat or
13 towboat of motor fuel, diesel motor fuel, or residual petroleum product.
14 This reimbursement may be claimed only where (1) any tax imposed pursu-
15 ant to this article has been paid with respect to such gallonage and the
16 entire amount of such tax has been absorbed by such purchaser, and (2)
17 such tugboat or towboat possesses documentary proof satisfactory to the
18 commissioner evidencing the absorption by it of the entire amount of
19 such tax. Provided, that the commissioner shall require such documentary
20 proof to qualify for any reimbursement provided hereunder as the commis-
21 sioner deems appropriate.

22 § 5. This act shall take effect September 1, 2022, and shall apply to
23 uses of motor fuel, diesel motor fuel and residual petroleum product on
24 and after such date; provided however that the amendments to the opening
25 paragraph of section 301-c of the tax law made by section two of this
26 act shall be subject to the expiration and reversion of such paragraph
27 pursuant to section 19 of part W-1 of chapter 109 of the laws of 2006,
28 as amended, when upon such date the provisions of section three of this
29 act shall take effect.

30 PART U

31 Section 1. Subparagraph (i) of the opening paragraph of section 1210
32 of the tax law is REPEALED and a new subparagraph (i) is added to read
33 as follows:

34 (i) with respect to a city of one million or more and the following
35 counties: (1) any such city having a population of one million or more
36 is hereby authorized and empowered to adopt and amend local laws, ordi-
37 nances or resolutions imposing such taxes in any such city, at the rate
38 of four and one-half percent;

39 (2) the following counties that impose taxes described in subdivision
40 (a) of this section at the rate of three percent as authorized above in
41 this paragraph are hereby further authorized and empowered to adopt and
42 amend local laws, ordinances, or resolutions imposing such taxes at
43 additional rates, in quarter percent increments, not to exceed the
44 following rates, which rates are additional to the three percent rate
45 authorized above in this paragraph:

46 (A) One percent - Albany, Broome, Cattaraugus, Cayuga, Chautauqua,
47 Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess,
48 Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Jefferson, Lewis,
49 Livingston, Madison, Monroe, Montgomery, Niagara, Onondaga, Ontario,
50 Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, St.
51 Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben,
52 Suffolk, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne,
53 Westchester, Wyoming, Yates;

54 (B) One and one-quarter percent - Herkimer, Nassau;

1 (C) One and one-half percent - Allegany;

2 (D) One and three-quarters percent - Erie, Oneida.

3 (E) Provided, however, that (I) the county of Rockland may impose
4 additional rates of five-eighths percent and three-eighths percent, in
5 lieu of imposing such additional rate in quarter percent increments;
6 (II) the county of Ontario may impose additional rates of one-eighth
7 percent and three-eighths percent, in lieu of imposing such additional
8 rate in quarter percent increments; (III) three-quarters percent of the
9 additional rate authorized to be imposed by the county of Nassau shall
10 be subject to the limitation set forth in section twelve hundred sixty-
11 two-e of this article.

12 § 2. Subparagraph (ii) of the opening paragraph of section 1210 of the
13 tax law is REPEALED and a new subparagraph (ii) is added to read as
14 follows:

15 (ii) the following cities that impose taxes described in subdivision
16 (a) of this section at the rate of one and one-half percent or higher as
17 authorized above in this paragraph for such cities are hereby further
18 authorized and empowered to adopt and amend local laws, ordinances, or
19 resolutions imposing such taxes at additional rates, in quarter percent
20 increments, not to exceed the following rates, which rates are addi-
21 tional to the one and one-half percent or higher rates authorized above
22 in this paragraph:

23 (1) One percent - Mount Vernon; New Rochelle; Oswego; White Plains;

24 (2) One and one-quarter percent - None;

25 (3) One and one-half percent - Yonkers.

26 § 3. Subparagraphs (iii) and (iv) of the opening paragraph of section
27 1210 of the tax law are REPEALED and a new subparagraph (iii) is added
28 to read as follows:

29 (iii) the maximum rate referred to in section twelve hundred twenty-
30 four of this article shall be calculated without reference to the addi-
31 tional rates authorized for counties, other than the counties of Cayuga,
32 Cortland, Fulton, Madison, and Otsego, in clause two of subparagraph (i)
33 and the cities in subparagraph (ii) of this paragraph.

34 § 4. Section 1210 of the tax law is amended by adding a new subdivi-
35 sion (p) to read as follows:

36 (p) Notwithstanding any provision of this section or any other law to
37 the contrary, a county authorized to impose an additional rate or rates
38 of sales and compensating use taxes by clause two of subparagraph (i) of
39 the opening paragraph of this section, or a city, other than the city of
40 Mount Vernon, authorized to impose an additional rate of such taxes by
41 subparagraph (ii) of such opening paragraph, may adopt a local law,
42 ordinance, or resolution by a majority vote of its governing body impos-
43 ing such rate or rates for a period not to exceed two years, and any
44 such period must end on November thirtieth of an odd-numbered year.
45 Notwithstanding the preceding sentence, the city of White Plains is
46 authorized to exceed such two-year limitation to impose the tax author-
47 ized by subparagraph (ii) of such opening paragraph for the period
48 commencing on September first, two thousand twenty-three and ending on
49 November thirtieth, two thousand twenty-five. Any such local law, ordi-
50 nance, or resolution shall also be subject to the provisions of subdivi-
51 sions (d) and (e) of this section.

52 § 5. Section 1210-E of the tax law is REPEALED.

53 § 6. Subdivisions (d), (e), (f), (g), (h), (i), (j), (k), (l), (m),
54 (n), (o), (p), (q), (r), (s), (t), (u), (v), (w), (x), (y), (z), (z-1),
55 (aa), (bb), (cc), (dd), (ee), (ff), (gg), (hh), (ii) and (jj) of section
56 1224 of the tax law are REPEALED.

1 § 7. Section 1224 of the tax law is amended by adding three new subdi-
2 visions (d), (e), and (f) to read as follows:

3 (d) For purposes of this section, the term "prior right" shall mean
4 the preferential right to impose any tax described in sections twelve
5 hundred two and twelve hundred three, or twelve hundred ten and twelve
6 hundred eleven, of this article and thereby to preempt such tax and to
7 preclude another municipal corporation from imposing or continuing the
8 imposition of such tax to the extent that such right is exercised.
9 However, the right of preemption shall only apply within the territorial
10 limits of the taxing jurisdiction having the right of preemption.

11 (e) Each of the following counties and cities shall have the sole
12 right to impose the following additional rate of sales and compensating
13 use taxes in excess of three percent that such county or city is author-
14 ized to impose pursuant to clause two of subparagraph (i) or subpara-
15 graph (ii) of the opening paragraph of section twelve hundred ten of
16 this article. Such additional rates of tax shall not be subject to
17 preemption.

18 (1) Counties:

19 (A) One percent - Albany, Broome, Cattaraugus, Chautauqua, Chemung,
20 Chenango, Clinton, Columbia, Delaware, Dutchess, Essex, Franklin, Gene-
21 see, Greene, Hamilton, Jefferson, Lewis, Livingston, Monroe, Montgomery,
22 Niagara, Onondaga, Ontario, Orange, Orleans, Oswego, Putnam, Rensselaer,
23 Rockland, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler,
24 Seneca, Steuben, Suffolk, Sullivan, Tioga, Tompkins, Ulster, Warren,
25 Washington, Wayne, Westchester, Wyoming, Yates;

26 (B) One and one-quarter percent - Herkimer, Nassau;

27 (C) One and one-half percent - Allegany;

28 (D) One and three-quarters percent - Erie, Oneida.

29 (E) Provided, however, that the county of Westchester shall have the
30 sole right to impose the additional one percent rate of tax which such
31 county is authorized to impose pursuant to the authority of clause two
32 of subparagraph (i) of the opening paragraph of section twelve hundred
33 ten of this article in the area of the county outside the cities of
34 Mount Vernon, New Rochelle, White Plains, and Yonkers.

35 (2) Cities:

36 (A) One-quarter of one percent - Rome;

37 (B) One-half of one percent - None;

38 (C) Three-quarters of one percent - None;

39 (D) One percent - Mount Vernon, New Rochelle, White Plains;

40 (E) One and one-quarter percent - None;

41 (F) One and one-half percent - Yonkers.

42 (f) Each of the following cities is authorized to preempt the taxes
43 imposed by the county in which it is located pursuant to the authority
44 of section twelve hundred ten of this article, to the extent of one-half
45 the maximum aggregate rate authorized under section twelve hundred ten
46 of this article, including the additional rate that the county in which
47 such city is located is authorized to impose: Auburn, in Cayuga county;
48 Cortland, in Cortland county; Gloversville and Johnstown, in Fulton
49 county; Oneida, in Madison county; Oneonta, in Otsego county. As of the
50 date this subdivision takes effect, any such preemption by such a city
51 in effect on such date shall continue in full force and effect until the
52 effective date of a local law, ordinance, or resolution adopted or
53 amended by the city to change such preemption. Any preemption by such a
54 city pursuant to this subdivision that takes effect after the effective
55 date of this subdivision shall be subject to the notice requirements in



1 section twelve hundred twenty-three of this subpart and to the other
2 requirements of this article.

3 § 8. Section 1262-g of the tax law, as amended by section 2 of item DD
4 of subpart C of part XXX of chapter 58 of the laws of 2020, is amended
5 to read as follows:

6 § 1262-g. Oneida county allocation and distribution of net collections
7 from the additional [one percent rate] rates of sales and compensating
8 use taxes. Notwithstanding any contrary provision of law, (a) if the
9 county of Oneida imposes sales and compensating use taxes at a rate
10 which is one percent additional to the three percent rate authorized by
11 section twelve hundred ten of this article, as authorized by such
12 section, [(a)] (i) where a city in such county imposes tax pursuant to
13 the authority of subdivision (a) of such section twelve hundred ten,
14 such county shall allocate, distribute and pay in cash quarterly to such
15 city one-half of the net collections attributable to such additional one
16 percent rate of the county's taxes collected in such city's boundaries;
17 [(b)] (ii) where a city in such county does not impose tax pursuant to
18 the authority of such subdivision (a) of such section twelve hundred
19 ten, such county shall allocate, distribute and pay in cash quarterly to
20 such city not so imposing tax a portion of the net collections attribut-
21 able to one-half of the county's additional one percent rate of tax
22 calculated on the basis of the ratio which such city's population bears
23 to the county's total population, such populations as determined in
24 accordance with the latest decennial federal census or special popu-
25 lation census taken pursuant to section twenty of the general municipal
26 law completed and published prior to the end of the quarter for which
27 the allocation is made, which special census must include the entire
28 area of the county; [and (c)] provided, however, that such county shall
29 dedicate the first one million five hundred thousand dollars of net
30 collections attributable to such additional one percent rate of tax
31 received by such county after the county receives in the aggregate eight-
32 teen million five hundred thousand dollars of net collections from such
33 additional one percent rate of tax [imposed for any of the periods:
34 September first, two thousand twelve through August thirty-first, two
35 thousand thirteen; September first, two thousand thirteen through August
36 thirty-first, two thousand fourteen; and September first, two thousand
37 fourteen through August thirty-first, two thousand fifteen; September
38 first, two thousand fifteen through August thirty-first, two thousand
39 sixteen; and September first, two thousand sixteen through August thir-
40 ty-first, two thousand seventeen; September first, two thousand seven-
41 teen through August thirty-first, two thousand eighteen; September
42 first, two thousand eighteen through August thirty-first, two thousand
43 twenty; and September first, two thousand twenty through August thirty-
44 first, two thousand twenty-three,] to an allocation on a per capita
45 basis, utilizing figures from the latest decennial federal census or
46 special population census taken pursuant to section twenty of the gener-
47 al municipal law, completed and published prior to the end of the year
48 for which such allocation is made, which special census must include the
49 entire area of such county, to be allocated and distributed among the
50 towns of Oneida county by appropriation of its board of legislators;
51 provided, further, that nothing herein shall require such board of
52 legislators to make any such appropriation until it has been notified by
53 any town by appropriate resolution and, in any case where there is a
54 village wholly or partly located within a town, a resolution of every
55 such village, embodying the agreement of such town and village or
56 villages upon the amount of such appropriation to be distributed to such



1 village or villages out of the allocation to the town or towns in which
2 it is located. (b) If the county of Oneida imposes sales and compensat-
3 ing use taxes at a rate which is one and three-quarters percent addi-
4 tional to the three percent rate authorized by section twelve hundred
5 ten of this article, as authorized pursuant to clause two of subpara-
6 graph (i) of the opening paragraph of section twelve hundred ten of this
7 article, net collections attributable to the additional three-quarters
8 percent of such additional rate shall not be subject to any revenue
9 distribution agreement entered into by the county and the cities in the
10 county pursuant to the authority of subdivision (c) of section twelve
11 hundred sixty-two of this part.

12 § 9. The opening paragraph of section 1262-r of the tax law, as added
13 by chapter 37 of the laws of 2006, is amended to read as follows:

14 (1) Notwithstanding any contrary provision of law, if the county of
15 Ontario imposes the additional one-eighth of one percent and the addi-
16 tional three-eighths of one percent rates of tax authorized pursuant to
17 clause two of subparagraph (i) of the opening paragraph of section
18 twelve hundred ten of this article, net collections from the such addi-
19 tional three-eighths of one percent rate of such taxes shall be set
20 aside for county purposes and shall not be subject to any agreement
21 entered into by the county and the cities in the county pursuant to the
22 authority of subdivision (c) of section twelve hundred sixty-two of this
23 part or this section.

24 (2) Notwithstanding the provisions of subdivision (c) of section
25 twelve hundred sixty-two of this part to the contrary, if the cities of
26 Canandaigua and Geneva in the county of Ontario do not impose sales and
27 compensating use taxes pursuant to the authority of section twelve
28 hundred ten of this article and such cities and county enter into an
29 agreement pursuant to the authority of subdivision (c) of section twelve
30 hundred sixty-two of this part to be effective March first, two thousand
31 six, such agreement may provide that:

32 § 10. The tax law is amended by adding a new section 1262-v to read as
33 follows:

34 § 1262-v. Disposition of net collections from the additional rate of
35 sales and compensating use tax in Clinton county. Notwithstanding any
36 contrary provision of law, if the county of Clinton imposes the addi-
37 tional one percent rate of sales and compensating use taxes authorized
38 pursuant to clause two of subparagraph (i) of the opening paragraph of
39 section twelve hundred ten of this article, net collections from such
40 additional rate shall be paid to the county and the county shall set
41 aside such net collections and use them solely for county purposes. Such
42 net collections shall not be subject to any revenue distribution agree-
43 ment entered into by the county and the city in the county pursuant to
44 the authority of subdivision (c) of section twelve hundred sixty-two of
45 this part.

46 § 11. Section 1262-s of the tax law, as amended by section 3 of item U
47 of subpart C of part XXX of chapter 58 of the laws of 2020, is amended
48 to read as follows:

49 § 1262-s. Disposition of net collections from the additional one-quar-
50 ter of one percent rate of sales and compensating use taxes in the coun-
51 ty of Herkimer. Notwithstanding any contrary provision of law, if the
52 county of Herkimer imposes [the additional] sales and compensating use
53 tax at a rate that is one and one-quarter [of one] percent [rate of
54 sales and compensating use taxes] additional to the three percent rate
55 authorized by section twelve hundred ten of this article as authorized
56 by [section twelve hundred ten-E] clause two of subparagraph (i) of the

1 opening paragraph of section twelve hundred ten of this article [for all
2 or any portion of the period beginning December first, two thousand
3 seven and ending November thirtieth, two thousand twenty-three], the
4 county shall use all net collections [from such] attributable to the
5 additional one-quarter [of one] percent of such additional rate to pay
6 the county's expenses for the construction of additional correctional
7 facilities. The net collections from [the] such additional one-quarter
8 percent of such additional rate [imposed pursuant to section twelve
9 hundred ten-E of this article] shall be deposited in a special fund to
10 be created by such county separate and apart from any other funds and
11 accounts of the county. Any and all remaining net collections from such
12 additional tax, after the expenses of such construction are paid, shall
13 be deposited by the county of Herkimer in the general fund of such coun-
14 ty for any county purpose.

15 § 12. The tax law is amended by adding a new section 1265 to read as
16 follows:

17 § 1265. References to certain provisions authorizing additional rates
18 or to expirations of a period. Notwithstanding any provision of law to
19 the contrary: (a) any reference in any section of this chapter or other
20 law, or in any local law, ordinance, or resolution adopted pursuant to
21 the authority of this article, to net collections or revenues from a tax
22 imposed by a county or city pursuant to the authority of a clause, or to
23 a subclause of a clause, of subparagraph (i) or (ii) of the opening
24 paragraph of section twelve hundred ten of this article repealed by
25 section one or two of a part of a chapter of the laws of two thousand
26 twenty-two that added this section or pursuant to section twelve hundred
27 ten-E of this article repealed by section five of such part shall be
28 deemed to be a reference to net collections or revenues from a tax
29 imposed by that county or city pursuant to the authority of the equiv-
30 alent provision of clause two of subparagraph (i) or to subparagraph
31 (ii) of the opening paragraph of such section twelve hundred ten as
32 added by such section one or two of such part of a chapter of the laws
33 of two thousand twenty-two; (b) any reference in this chapter or in any
34 other law relating to the expiration of a provision concerning the
35 distribution of revenue from the taxes authorized to be imposed by the
36 opening paragraph of section twelve hundred ten of this article shall be
37 disregarded, and such provision shall continue in effect unless later
38 amended or repealed.

39 § 13. This act shall take effect immediately.

40

PART V

41 Section 1. Subdivision (c) of section 1101 of the tax law, as added
42 by chapter 93 of the laws of 1965, paragraphs 2, 3, 4 and 6 as amended
43 by section 2 and paragraph 8 as added by section 3 of part AA of chapter
44 57 of the laws of 2010, and paragraph 5 as amended by chapter 575 of the
45 laws of 1965, is amended to read as follows:

46 (c) When used in this article for the purposes of the tax imposed
47 under subdivision (e) of section eleven hundred five of this article,
48 the following terms shall mean:

49 (1) Hotel. A building or portion of it which is regularly used and
50 kept open as such for the lodging of guests. The term "hotel" includes
51 an apartment hotel, a motel, boarding house or club, whether or not
52 meals are served.

53 (2) Occupancy. The use or possession, or the right to the use or
54 possession, of any room in a hotel or vacation rental. "Right to the

1 use or possession" includes the rights of a room remarketer as described
2 in paragraph eight of this subdivision.

3 (3) Occupant. A person who, for a consideration, uses, possesses, or
4 has the right to use or possess, any room in a hotel or vacation rental
5 under any lease, concession, permit, right of access, license to use or
6 other agreement, or otherwise. "Right to use or possess" includes the
7 rights of a room remarketer as described in paragraph eight of this
8 subdivision.

9 (4) Operator. Any person operating a hotel or vacation rental. Such
10 term shall include a room remarketer and such room remarketer shall be
11 deemed to operate a hotel, or portion thereof, with respect to which
12 such person has the rights of a room remarketer.

13 (5) Permanent resident. Any occupant of any room or rooms in a hotel
14 or vacation rental for at least ninety consecutive days shall be consid-
15 ered a permanent resident with regard to the period of such occupancy.

16 (6) Rent. The consideration received for occupancy, including any
17 service or other charge or amount required to be paid as a condition for
18 occupancy, valued in money, whether received in money or otherwise and
19 whether received by the operator or a room remarketer or another person
20 on behalf of either of them.

21 (7) Room. Any room or rooms of any kind in any part or portion of a
22 hotel or vacation rental, which is available for or let out for any
23 purpose other than a place of assembly.

24 (8) Room remarketer. A person who reserves, arranges for, conveys, or
25 furnishes occupancy, whether directly or indirectly, to an occupant for
26 rent in a hotel for an amount determined by the room remarketer, direct-
27 ly or indirectly, whether pursuant to a written or other agreement. Such
28 person's ability or authority to reserve, arrange for, convey, or
29 furnish occupancy, directly or indirectly, and to determine rent there-
30 for, shall be the "rights of a room remarketer". A room remarketer is
31 not a permanent resident with respect to a room for which such person
32 has the rights of a room remarketer.

33 (9) Vacation rental. A building or portion of it that is used for the
34 lodging of guests. The term "vacation rental" includes a house, an
35 apartment, a condominium, a cooperative unit, a cabin, a cottage, or a
36 bungalow, or one or more rooms therein, where sleeping accommodations
37 are provided for the lodging of paying occupants, the typical occupants
38 are transients or travelers, and the relationship between the operator
39 and occupant is not that of a landlord and tenant. It is not necessary
40 that meals are served. A building or portion of a building may qualify
41 as a vacation rental whether or not amenities, including but not limited
42 to daily housekeeping services, concierge services, or linen services,
43 are provided.

44 (10) (i) Vacation rental marketplace provider. A person who, pursuant
45 to an agreement with an operator, facilitates the occupancy of a vaca-
46 tion rental by such operator or operators. A person "facilitates the
47 occupancy of a vacation rental" for purposes of this paragraph when the
48 person meets both of the following conditions: (A) such person provides
49 the forum in which, or by means of which, the sale of the occupancy
50 takes place or the offer of such sale is accepted, including a shop,
51 store, or booth, an internet website, catalog, or similar forum; and (B)
52 such person or an affiliate of such person collects the rent paid by a
53 customer to an operator for the occupancy of a vacation rental, or
54 contracts with a third party to collect such rent.

55 (ii) For the purposes of this article, the term "vacation rental
56 marketplace provider" shall not include a "room remarketer" as defined

1 in paragraph eight of this subdivision. For purposes of this paragraph,
2 persons are affiliated if one person has an ownership interest of more
3 than five percent, whether direct or indirect, in another, or where an
4 ownership interest of more than five percent, whether direct or indi-
5 rect, is held in each of such persons by another person or by a group of
6 other persons that are affiliated persons with respect to each other.
7 The term "vacation rental marketplace provider" shall not include a
8 "real estate broker" as licensed under article twelve-A of the real
9 property law.

10 § 2. Subdivision (a) of section 1104 of the tax law, as added by chap-
11 ter 3 of the laws of 2004, is amended to read as follows:

12 (a) Imposition. In addition to any other fee or tax imposed by this
13 article or any other law, on and after April first, two thousand five,
14 there is hereby imposed within the territorial limits of a city with a
15 population of a million or more and there shall be paid a unit fee on
16 every occupancy of a unit in a hotel or vacation rental in such city at
17 the rate of one dollar and fifty cents per unit per day, except that
18 such unit fee shall not be imposed upon (1) occupancy by a permanent
19 resident or (2) where the rent per unit is not more than at the rate of
20 two dollars per day.

21 § 3. Paragraph 1 of subdivision (e) of section 1105 of the tax law, as
22 amended by section 1 of part Q of chapter 59 of the laws of 2012, is
23 amended to read as follows:

24 (1) The rent for every occupancy of a room or rooms in a hotel and
25 vacation rental in this state, except that the tax shall not be imposed
26 upon (i) a permanent resident, or (ii) where the rent is not more than
27 at the rate of two dollars per day.

28 § 4. Subdivisions 1 and 2 of section 1131 of the tax law, subdivision
29 1 as amended by section 2 of part G of chapter 59 of the laws of 2019
30 and subdivision 2 as added by chapter 93 of the laws of 1965, are
31 amended to read as follows:

32 (1) "Persons required to collect tax" or "person required to collect
33 any tax imposed by this article" shall include: every vendor of tangible
34 personal property or services; every recipient of amusement charges;
35 every operator of a hotel or vacation rental; every vacation rental
36 marketplace provider with respect to the rent for every occupancy of a
37 vacation rental it facilitates as described in paragraph ten of subdivi-
38 sion (c) of section eleven hundred one of this article; and every
39 marketplace provider with respect to sales of tangible personal property
40 it facilitates as described in paragraph one of subdivision (e) of
41 section eleven hundred one of this article. Said terms shall also
42 include any officer, director or employee of a corporation or of a
43 dissolved corporation, any employee of a partnership, any employee or
44 manager of a limited liability company, or any employee of an individual
45 proprietorship who as such officer, director, employee or manager is
46 under a duty to act for such corporation, partnership, limited liability
47 company or individual proprietorship in complying with any requirement
48 of this article, or has so acted; and any member of a partnership or
49 limited liability company. Provided, however, that any person who is a
50 vendor solely by reason of clause (D) or (E) of subparagraph (i) of
51 paragraph [(8)] eight of subdivision (b) of section eleven hundred one
52 of this article shall not be a "person required to collect any tax
53 imposed by this article" until twenty days after the date by which such
54 person is required to file a certificate of registration pursuant to
55 section eleven hundred thirty-four of this part. Such terms shall not
56 include an operator of a vacation rental who rents out the operator's



1 own property for three days or fewer in a calendar year and does not use
2 a vacation rental marketplace provider to facilitate such rental.

3 (2) "Customer" shall include: every purchaser of tangible personal
4 property or services; every patron paying or liable for the payment of
5 any amusement charge; and every occupant of a room or rooms in a hotel
6 or vacation rental.

7 § 5. Section 1132 of the tax law is amended by adding a new subdivi-
8 sion (m) to read as follows:

9 (m) (1) A vacation rental marketplace provider with respect to a sale
10 for every occupancy of a vacation rental it facilitates: (A) shall have
11 all the obligations and rights of a vendor under this article and arti-
12 cle twenty-nine of this chapter and under any regulations adopted pursu-
13 ant thereto, including, but not limited to, the duty to obtain a certif-
14 icate of authority, to collect tax, file returns, remit tax, and the
15 right to accept a certificate or other documentation from a customer
16 substantiating an exemption or exclusion from tax, the right to receive
17 the refund authorized by subdivision (e) of this section and the credit
18 allowed by subdivision (f) of section eleven hundred thirty-seven of
19 this part subject to the provisions of such subdivisions; and (B) shall
20 keep such records and information and cooperate with the commissioner to
21 ensure the proper collection and remittance of tax imposed, collected or
22 required to be collected under this article and article twenty-nine of
23 this chapter.

24 (2) An operator is relieved from the duty to collect tax in regard to
25 a particular rent for the occupancy of a vacation rental subject to tax
26 under subdivision (e) of section eleven hundred five of this article and
27 shall not include the rent from such occupancy in its taxable sales for
28 purposes of section eleven hundred thirty-six of this part if, in regard
29 to such occupancy: (A) the operator of the vacation rental can show that
30 such occupancy was facilitated by a vacation rental marketplace provider
31 from whom such operator has received in good faith a properly completed
32 certificate of collection in a form prescribed by the commissioner,
33 certifying that the vacation rental marketplace provider is registered
34 to collect sales tax and will collect sales tax on all taxable sales of
35 occupancy of a vacation rental by the operator facilitated by the vaca-
36 tion rental marketplace provider, and with such other information as the
37 commissioner may prescribe; and (B) any failure of the vacation rental
38 marketplace provider to collect the proper amount of tax in regard to
39 such sale was not the result of such operator providing the vacation
40 rental marketplace provider with incorrect information. This provision
41 shall be administered in a manner consistent with subparagraph (i) of
42 paragraph one of subdivision (c) of this section as if a certificate of
43 collection were a resale or exemption certificate for purposes of such
44 subparagraph, including with regard to the completeness of such certif-
45 icate of collection and the timing of its acceptance by the operator.
46 Provided that, with regard to any sales of occupancy of a vacation
47 rental by an operator that are facilitated by a vacation rental market-
48 place provider who is affiliated with such operator within the meaning
49 of paragraph ten of subdivision (c) of section eleven hundred one of
50 this article, the operator shall be deemed liable as a person under a
51 duty to act for such vacation rental marketplace provider for purposes
52 of subdivision one of section eleven hundred thirty-one of this part.

53 (3) The commissioner may, at his or her discretion: (A) develop a
54 standard provision, or approve a provision developed by a vacation
55 rental marketplace provider, in which the vacation rental marketplace
56 provider obligates itself to collect the tax on behalf of all operators



1 for whom the vacation rental marketplace provider facilitates sales of
2 occupancy of a vacation rental, with respect to all sales that it facil-
3 itates for such operators where the rental occurs in the state; and (B)
4 provide by regulation or otherwise that the inclusion of such provision
5 in the publicly-available agreement between the vacation rental market-
6 place provider and operator will have the same effect as an operator's
7 acceptance of a certificate of collection from such vacation rental
8 marketplace provider under paragraph two of this subdivision.

9 § 6. Section 1133 of the tax law is amended by adding a new subdivi-
10 sion (g) to read as follows:

11 (g) A vacation rental marketplace provider is relieved of liability
12 under this section for failure to collect the correct amount of tax to
13 the extent that the vacation rental marketplace provider can show that
14 the error was due to incorrect or insufficient information given to the
15 vacation rental marketplace provider by the operator. Provided, however,
16 this subdivision shall not apply if the operator and vacation rental
17 marketplace provider are affiliated within the meaning of paragraph ten
18 of subdivision (c) of section eleven hundred one of this article.

19 § 7. Subdivision (a) of section 1134 of the tax law is amended by
20 adding a new paragraph 7 to read as follows:

21 (7) An operator of a vacation rental, as defined in paragraph nine of
22 subdivision (c) of section eleven hundred one of this article, is
23 relieved of the requirement to register in paragraph one of this subdivi-
24 vision if its sales of occupancy are wholly facilitated by one or more
25 vacation rental marketplace providers from whom the operator has
26 received in good faith a certificate of collection that meets the
27 requirements set forth in paragraph two of subdivision (m) of section
28 eleven hundred thirty-two of this part.

29 § 8. Paragraph 4 of subdivision (a) of section 1136 of the tax law, as
30 amended by section 5 of part G of chapter 59 of the laws of 2019, is
31 amended to read as follows:

32 (4) The return of a vendor of tangible personal property or services
33 shall show such vendor's receipts from sales and the number of gallons
34 of any motor fuel or diesel motor fuel sold and also the aggregate value
35 of tangible personal property and services and number of gallons of such
36 fuels sold by the vendor, the use of which is subject to tax under this
37 article, and the amount of tax payable thereon pursuant to the
38 provisions of section eleven hundred thirty-seven of this part. The
39 return of a recipient of amusement charges shall show all such charges
40 and the amount of tax thereon, and the return of an operator required to
41 collect tax on rents shall show all rents received or charged and the
42 amount of tax thereon. The return of a marketplace seller shall exclude
43 the receipts from a sale of tangible personal property facilitated by a
44 marketplace provider if, in regard to such sale: (A) the marketplace
45 seller has timely received in good faith a properly completed certif-
46 icate of collection from the marketplace provider or the marketplace
47 provider has included a provision approved by the commissioner in the
48 publicly-available agreement between the marketplace provider and the
49 marketplace seller as described in subdivision one of section eleven
50 hundred thirty-two of this part, and (B) the information provided by the
51 marketplace seller to the marketplace provider about such tangible
52 personal property is accurate. The return of an operator shall exclude
53 the rent from occupancy of a vacation rental facilitated by a vacation
54 rental marketplace provider if, in regard to such sale: (A) the vacation
55 rental operator has timely received in good faith a properly completed
56 certificate of collection from the vacation rental marketplace provider

1 or the vacation rental marketplace provider has included a provision
2 approved by the commissioner in the publicly-available agreement between
3 the vacation rental marketplace provider and the operator as described
4 in subdivision (m) of section eleven hundred thirty-two of this part,
5 and (B) the information provided by the operator to the vacation rental
6 marketplace provider about such rent and such occupancy is accurate.

7 § 9. Subparagraph (B) of paragraph 3 of subdivision (a) of section
8 1138 of the tax law, as amended by chapter 456 of the laws of 1998, is
9 amended to read as follows:

10 (B) The liability, pursuant to subdivision (a) of section eleven
11 hundred thirty-three of this article, of any officer, director or
12 employee of a corporation or of a dissolved corporation, member or
13 employee of a partnership or employee of an individual proprietorship
14 who as such officer, director, employee or member is under a duty to act
15 for such corporation, partnership or individual proprietorship in
16 complying with any requirement of this article for the tax imposed,
17 collected or required to be collected, or for the tax required to be
18 paid or paid over to the [tax commission] commissioner under this arti-
19 cle, and the amount of such tax liability (whether or not a return is
20 filed under this article, whether or not such return when filed is
21 incorrect or insufficient, or where the tax shown to be due on the
22 return filed under this article has not been paid or has not been paid
23 in full) shall be determined by the [tax commission] commissioner in the
24 manner provided for in paragraphs one and two of this subdivision. Such
25 determination shall be an assessment of the tax and liability for the
26 tax with respect to such person unless such person, within ninety days
27 after the giving of notice of such determination, shall apply to the
28 division of tax appeals for a hearing. If such determination is identi-
29 cal to or arises out of a previously issued determination of tax of the
30 corporation, dissolved corporation, partnership or individual proprie-
31 torship for which such person is under a duty to act, an application
32 filed with the division of tax appeals on behalf of the corporation,
33 dissolved corporation, partnership or individual proprietorship shall be
34 deemed to include any and all subsequently issued personal determi-
35 nations and a separate application to the division of tax appeals for a
36 hearing shall not be required. The [tax commission] commissioner may,
37 nevertheless, of [its] his or her own motion, redetermine such determi-
38 nation of tax or liability for tax. Where the [tax commission] commis-
39 sioner determines or redetermines that the amount of tax claimed to be
40 due from a vendor of tangible personal property or services, a recipient
41 of amusement charges, or an operator of a hotel or vacation rental is
42 erroneous or excessive in whole or in part, [it] he or she shall rede-
43 termine the amount of tax properly due from any such person as a person
44 required to collect tax with respect to such vendor, recipient, or oper-
45 ator, and if such amount is less than the amount of tax for which such
46 person would have been liable in the absence of such determination or
47 redetermination, [it] he or she shall reduce such liability accordingly.
48 Furthermore, the [tax commission] commissioner may, of [its] his or her
49 own motion, abate on behalf of any such person, any part of the tax
50 determined to be erroneous or excessive whether or not such tax had
51 become finally and irrevocably fixed with respect to such person but no
52 claim for abatement may be filed by any such person. The provisions of
53 this paragraph shall not be construed to limit in any manner the powers
54 of the attorney general under subdivision (a) of section eleven hundred
55 forty-one of this part or the powers of the [tax commission] commis-

1 er to issue a warrant under subdivision (b) of such section against any
2 person whose liability has become finally and irrevocably fixed.

3 § 10. Section 1142 of the tax law is amended by adding a new subdivi-
4 sion 16 to read as follows:

5 16. To publish a list on the department's website of vacation rental
6 marketplace providers whose certificates of authority have been revoked
7 and, if necessary to protect sales tax revenue, provide by regulation or
8 otherwise that a vacation rental operator will be relieved of the
9 requirement to register and the duty to collect tax on the rent for
10 occupancy of a vacation rental facilitated by a vacation rental market-
11 place provider only if, in addition to the conditions prescribed by
12 paragraph two of subdivision (m) of section eleven hundred thirty-two
13 and paragraph six of subdivision (a) of section eleven hundred thirty-
14 four of this part being met, such vacation rental marketplace provider
15 is not on such list at the commencement of the quarterly period covered
16 thereby.

17 § 11. Subparagraph (i) of paragraph 3 of subdivision (a) of section
18 1145 of the tax law, as amended by section 48 of part K of chapter 61 of
19 the laws of 2011, is amended to read as follows:

20 (i) Any person required to obtain a certificate of authority under
21 section eleven hundred thirty-four of this part who, without possessing
22 a valid certificate of authority, (A) sells tangible personal property
23 or services subject to tax, receives amusement charges or operates a
24 hotel or vacation rental, (B) purchases or sells tangible personal prop-
25 erty for resale, (C) sells petroleum products, or (D) sells cigarettes
26 shall, in addition to any other penalty imposed by this chapter, be
27 subject to a penalty in an amount not exceeding five hundred dollars for
28 the first day on which such sales or purchases are made, plus an amount
29 not exceeding two hundred dollars for each subsequent day on which such
30 sales or purchases are made, not to exceed ten thousand dollars in the
31 aggregate.

32 § 12. Subparagraph (v) of paragraph 4 of subdivision (a) of section
33 1210 of the tax law, as amended by section 2 of part WW of chapter 60 of
34 the laws of 2016, is amended to read as follows:

35 (v) shall provide that, for purposes of the tax described in subdivi-
36 sion (e) of section eleven hundred five of this chapter, "permanent
37 resident" means any occupant of any room or rooms in a hotel or vacation
38 rental for at least one hundred eighty consecutive days with regard to
39 the period of such occupancy;

40 § 13. Subdivisions (a) and (b) of section 1817 of the tax law, as
41 amended by section 53 of part K of chapter 61 of the laws of 2011, are
42 amended to read as follows:

43 (a) Any person required to obtain a certificate of authority under
44 section eleven hundred thirty-four of this chapter who, without possess-
45 ing a valid certificate of authority, willfully (1) sells tangible
46 personal property or services subject to tax, receives amusement charges
47 or operates a hotel or vacation rental, (2) purchases or sells tangible
48 personal property for resale, or (3) sells petroleum products; and any
49 person who fails to surrender a certificate of authority as required by
50 such article shall be guilty of a misdemeanor.

51 (b) Any person required to obtain a certificate of authority under
52 section eleven hundred thirty-four of this chapter who within five years
53 after a determination by the commissioner, pursuant to such section, to
54 suspend, revoke or refuse to issue a certificate of authority has become
55 final, and without possession of a valid certificate of authority (1)
56 sells tangible personal property or services subject to tax, receives

1 amusement charges or operates a hotel or vacation rental, (2) purchases
2 or sells tangible personal property for resale, or (3) sells petroleum
3 products, shall be guilty of a misdemeanor. It shall be an affirmative
4 defense that such person performed the acts described in this subdivi-
5 sion without knowledge of such determination. Any person who violates a
6 provision of this subdivision, upon conviction, shall be subject to a
7 fine in any amount authorized by this article, but not less than five
8 hundred dollars, in addition to any other penalty provided by law.

9 § 14. This act shall take effect immediately and shall apply to
10 collections of rent by the operator or vacation rental marketplace
11 provider on or after September 1, 2022.

12

PART W

13 Section 1. Paragraph 1 of subsection (a) of section 671 of the tax
14 law, as amended by chapter 760 of the laws of 1992, is amended to read
15 as follows:

16 (1) Every employer maintaining an office or transacting business with-
17 in this state and making payment of any wages taxable under this article
18 shall deduct and withhold from such wages for each payroll period a tax
19 computed in such manner as to result, so far as practicable, in with-
20 holding from the employee's wages during each calendar year an amount
21 substantially equivalent to the tax reasonably estimated to be due under
22 this article resulting from the inclusion in the employee's New York
23 adjusted gross income or New York source income of [his] the employee's
24 wages received during such calendar year. The method of determining the
25 amount to be withheld shall be prescribed by [regulations of] the
26 commissioner, with due regard to the New York withholding exemptions of
27 the employee and the sum of any credits allowable against [his] the
28 employee's tax. The commissioner shall publish any changes to such meth-
29 od of determining the amount of tax to be withheld on the website of the
30 department of taxation and finance. The commissioner shall also cause
31 notice of such changes to be published in the section for miscellaneous
32 notices in the state register and shall give other appropriate general
33 notice of such changes.

34 § 2. Paragraph 6 of subsection (j) of section 697 of the tax law, as
35 amended by chapter 61 of the laws of 1989, is amended to read as
36 follows:

37 (6) Publication of interest rates. The commissioner of taxation and
38 finance shall publish the interest rates set under this subsection on
39 the website of the department of taxation and finance. Immediately
40 following such publication, the commissioner shall cause such interest
41 rates to be published in the section for miscellaneous notices in the
42 state register[,] and give other appropriate general notice of[, the]
43 such interest rates [to be set under this subsection no later than twen-
44 ty days preceding the first day of the calendar quarter during which
45 such interest rates apply]. The setting and publication of such interest
46 rates shall not be included within paragraph (a) of subdivision two of
47 section one hundred two of the state administrative procedure act relat-
48 ing to the definition of a rule.

49 § 3. Paragraph 5 of subsection (e) of section 1096 of the tax law, as
50 amended by chapter 61 of the laws of 1989, is amended to read as
51 follows:

52 (5) Publication of interest rates. The commissioner of taxation and
53 finance shall publish the interest rates set under this subsection on
54 the website of the department of taxation and finance. Immediately

1 following such publication, the commissioner shall cause such interest
2 rates to be published in the section for miscellaneous notices in the
3 state register[,] and give other appropriate general notice of[, the]
4 such interest rates [to be set under this subsection no later than twen-
5 ty days preceding the first day of the calendar quarter during which
6 such interest rates apply]. The setting and publication of such interest
7 rates shall not be included within paragraph (a) of subdivision two of
8 section one hundred two of the state administrative procedure act relat-
9 ing to the definition of a rule.

10 § 4. This act shall take effect immediately.

11 PART X

12 Section 1. Paragraph (c) of subdivision 1 of section 1701 of the tax
13 law, as added by section 1 of part CC-1 of chapter 57 of the laws of
14 2008, is amended to read as follows:

15 (c) "Financial institution" means (i) any financial institution
16 authorized or required to participate in a financial institution data
17 match system or program for child support enforcement purposes under
18 federal or state law, and (ii) any virtual currency business licensed by
19 the superintendent of financial services.

20 § 2. This act shall take effect immediately.

21 PART Y

22 Section 1. Section 4 of chapter 475 of the laws of 2013, relating to
23 assessment ceilings for local public utility mass real property, as
24 amended by section 1 of part G of chapter 59 of the laws of 2018, is
25 amended to read as follows:

26 § 4. This act shall take effect on the first of January of the second
27 calendar year commencing after this act shall have become a law and
28 shall apply to assessment rolls with taxable status dates on or after
29 such date; provided, however, that this act shall expire and be deemed
30 repealed [eight] twelve years after such effective date; and provided,
31 further, that no assessment of local public utility mass real property
32 appearing on the municipal assessment roll with a taxable status date
33 occurring in the first calendar year after this act shall have become a
34 law shall be less than ninety percent or more than one hundred ten
35 percent of the assessment of the same property on the date this act
36 shall have become a law.

37 § 2. Subdivision 4 of section 499-pppp of the real property tax law,
38 as added by chapter 475 of the laws of 2013, is amended to read as
39 follows:

40 4. Any final determination of an assessment ceiling by the commission-
41 er pursuant to subdivision one of this section shall be subject to judi-
42 cial challenge by an owner of local public utility mass real property or
43 a local assessing jurisdiction in a proceeding under article seven of
44 this chapter; provided however, the time to commence such proceeding
45 shall be within sixty days of the issuance of the final assessment ceil-
46 ing certificate and all questions of fact and law shall be determined de
47 novo. Any judicial proceeding shall be commenced in the supreme court in
48 the county of Albany or the county agreed upon by the parties in which
49 the local public utility mass real property is located. Nothing in this
50 section shall preclude a challenge of the assessed value established by
51 a local assessing jurisdiction with respect to local public utility mass
52 real property as otherwise provided in article seven of this chapter,

1 provided however that upon motion of the local assessing jurisdiction,
2 such challenge shall be consolidated with the challenge to the final
3 assessment ceiling commenced pursuant to this subdivision and litigated
4 in the venue specified by this subdivision. In any proceeding challeng-
5 ing an assessed value established by a local assessing jurisdiction for
6 local public utility mass real property, the final certified assessment
7 ceiling established pursuant to subdivision one of this section [shall
8 not], and the evidence submitted in connection therewith, may be consid-
9 ered by the court when determining the merits of the challenge to the
10 assessed value established by the assessing unit. In such a proceeding,
11 the local assessing jurisdiction, upon request to the local public util-
12 ity mass real property owner, shall be provided with a copy of the annu-
13 al report provided to the commissioner under section four hundred nine-
14 ty-nine-rrrr of this title. If the local public utility mass real
15 property owner fails to provide the report within thirty days of such a
16 request, the proceeding shall be dismissed.

17 § 3. This act shall take effect immediately, provided, however, that
18 the amendments to subdivision 4 of section 499-pppp of the real property
19 tax law made by section two of this act shall not affect the repeal of
20 such subdivision and shall be deemed to be repealed therewith.

21

PART Z

22 Section 1. This Part enacts into law major components of legislation
23 relating to the administration of the STAR program authorized by section
24 425 of the real property tax law and subsection (eee) of section 606 of
25 the tax law. Each component is wholly contained within a Subpart identi-
26 fied as Subparts A through E. The effective date for each particular
27 provision contained within such Subpart is set forth in the last section
28 of such Subpart. Any provision in any section contained within a
29 Subpart, including the effective date of the Subpart, which makes refer-
30 ence to a section of "this act", when used in connection with that
31 particular component, shall be deemed to mean and refer to the corre-
32 sponding section of the Subpart in which it is found. Section two
33 contains a severability clause for all provisions contained in each
34 Subpart of this Part. Section three of this act sets forth the general
35 effective date of this Part.

36

SUBPART A

37 Section 1. Paragraph (a-2) of subdivision 6 of section 425 of the real
38 property tax law, as amended by section 1 of part TT of chapter 59 of
39 the laws of 2019, is amended to read as follows:

40 (a-2) Notwithstanding any provision of law to the contrary, where an
41 application for the "enhanced" STAR exemption authorized by subdivision
42 four of this section has not been filed on or before the taxable status
43 date, and the owner believes that good cause existed for the failure to
44 file the application by that date, the owner may, no later than the last
45 day for paying school taxes without incurring interest or penalty,
46 submit a written request to the commissioner asking him or her to extend
47 the filing deadline and grant the exemption. Such request shall contain
48 an explanation of why the deadline was missed, and shall be accompanied
49 by an application, reflecting the facts and circumstances as they
50 existed on the taxable status date. After consulting with the assessor,
51 the commissioner may extend the filing deadline and grant the exemption
52 if the commissioner is satisfied that (i) good cause existed for the

1 failure to file the application by the taxable status date, and that
2 (ii) the applicant is otherwise entitled to the exemption. The commis-
3 sioner shall mail notice of his or her determination to such owner and
4 the assessor. If the determination states that the commissioner has
5 granted the exemption, the assessor shall thereupon be authorized and
6 directed to correct the assessment roll accordingly, or, if another
7 person has custody or control of the assessment roll, to direct that
8 person to make the appropriate corrections. [If the correction is not
9 made before school taxes are levied, the school district authorities
10 shall be authorized and directed to take account of the fact that the
11 commissioner has granted the exemption by correcting the applicant's tax
12 bill and/or issuing a refund accordingly] Provided, however, that if the
13 assessment roll cannot be corrected in time for the exemption to appear
14 on the applicant's school tax bill, the commissioner shall be authorized
15 to remit directly to the applicant the tax savings that the STAR
16 exemption would have yielded if it had appeared on the applicant's tax
17 bill. The amounts so payable shall be paid from the account established
18 for the payment of STAR benefits to late registrants pursuant to subpar-
19 agraph (iii) of paragraph (a) of subdivision fourteen of this section.
20 § 2. This act shall take effect immediately.

21

SUBPART B

22 Section 1. Subparagraph (i) of paragraph (c) of subdivision 17 of
23 section 425 of the real property tax law, as added by section 2 of part
24 G of chapter 39 of the laws of 2019, is amended to read as follows:
25 (i) A STAR credit switch may be deferred if the application for the
26 credit is submitted after a cutoff date set by the commissioner. When
27 setting a cutoff date, the commissioner shall take into account the time
28 required to ensure that the STAR exemptions of all STAR credit appli-
29 cants in the assessing unit will be removed before school tax bills are
30 prepared. The commissioner shall specify the applicable cutoff dates
31 after taking into account local assessment calendars, provided that
32 different cutoff dates may be set for municipalities with different
33 assessment calendars, and provided further that any such cutoff date may
34 be no earlier than the [fifteenth] forty-fifth day prior to the date on
35 which the applicable final assessment roll is required by law to be
36 completed and filed.
37 § 2. This act shall take effect immediately.

38

SUBPART C

39 Section 1. Subparagraph (A) of paragraph 3 of subsection (eee) of
40 section 606 of the tax law, as amended by section 2 of part RR of chap-
41 ter 59 of the laws of 2019, is amended to read as follows:
42 (A) Beginning with taxable years after two thousand fifteen, a basic
43 STAR credit shall be available to a qualified taxpayer if the affiliated
44 income of the parcel that serves as the taxpayer's primary residence is
45 less than or equal to five hundred thousand dollars for the applicable
46 income tax year specified by paragraph (b-1) of subdivision three of
47 section four hundred twenty-five of the real property tax law. The
48 income limit established for the basic STAR exemption by paragraph (b-1)
49 of subdivision three of section four hundred twenty-five of the real
50 property tax law shall not be taken into account when determining eligi-
51 bility for the basic STAR credit.
52 § 2. This act shall take effect immediately.

1

SUBPART D

2 Section 1. Subparagraph (B) of paragraph 7 of subsection (eee) of
3 section 606 of the tax law, as amended by section 7 of part E of chapter
4 59 of the laws of 2018, is amended to read as follows:

5 (B) Notwithstanding any provision of law to the contrary, the names
6 and addresses of individuals who have applied for or are receiving the
7 credit authorized by this subsection may be disclosed to assessors,
8 county directors of real property tax services, and municipal tax
9 collecting officers within New York state. In addition, [where an agree-
10 ment is in place between the commissioner and the head of the tax
11 department of another state, such information may be disclosed to such
12 official or his or her designees] such information may be exchanged with
13 assessors and tax officials from jurisdictions outside New York state if
14 the laws of the other jurisdiction allow it to provide similar informa-
15 tion to this state. Such information shall be considered confidential
16 and shall not be subject to further disclosure pursuant to the freedom
17 of information law or otherwise.

18 § 2. This act shall take effect immediately.

19

SUBPART E

20 Section 1. Subsection (c) of section 651 of the tax law, as amended by
21 section 3 of part QQ of chapter 59 of the laws of 2019, is amended to
22 read as follows:

23 (c) Decedents. The return for any deceased individual shall be made
24 and filed by [his] the decedent's executor, administrator, or other
25 person charged with [his] the decedent's property. If a final return of
26 a decedent is for a fractional part of a year, the due date of such
27 return shall be the fifteenth day of the fourth month following the
28 close of the twelve-month period which began with the first day of such
29 fractional part of the year. Notwithstanding any provision of law to the
30 contrary, when a return has been filed for a decedent, the commissioner
31 may disclose the decedent's name, address, and the date of death to the
32 director of real property tax services of the county and the assessor of
33 the assessing unit in which the address reported on such return is
34 located.

35 § 2. Paragraph (a) of subdivision 1 of section 1125 of the real prop-
36 erty tax law, as amended by chapter 415 of the laws of 2006, is amended
37 to read as follows:

38 (a) Parties entitled to notice. The enforcing officer shall on or
39 before the date of the first publication of the notice above set forth
40 cause a notice to be mailed to (i) each owner and any other person whose
41 right, title, or interest was a matter of public record as of the date
42 the list of delinquent taxes was filed, which right, title or interest
43 will be affected by the termination of the redemption period, and whose
44 name and address are reasonably ascertainable from the public record,
45 including the records in the offices of the surrogate of the county, or
46 from material submitted to the enforcing officer pursuant to paragraph
47 (d) of this subdivision, (ii) any other person who has filed a declara-
48 tion of interest pursuant to section eleven hundred twenty-six of this
49 title which has not expired, [and] (iii) where a posthumous declaration
50 of interest has been filed pursuant to section eleven hundred twenty-
51 six-a of this title, the person specified thereon as the person to be
52 informed when taxes are owed on the property, and (iv) the enforcing
53 officer of any other tax district having a right to enforce the payment

1 of a tax imposed upon any of the parcels described upon such petition.
2 Nothing contained herein shall be construed as making any such person a
3 party to the proceeding or as making any such person personally liable
4 for the taxes or other legal charges due thereon.

5 § 3. The real property tax law is amended by adding a new section
6 1126-a to read as follows:

7 § 1126-a. Posthumous declaration of interest. 1. Upon the death of an
8 owner of real property, a personal representative of the decedent's
9 estate or a successor in interest of the decedent may file a posthumous
10 declaration of interest with the enforcing officer on a form prescribed
11 by the commissioner. Such posthumous declaration shall provide the
12 decedent's name and date of death, a description of the property the
13 decedent had owned, and the name and address of a person to be informed
14 when taxes are owed on that property. Thereafter, in addition to any
15 other notification requirements that may apply, the enforcing officer
16 shall cause any notices required by this article to be mailed to such
17 person at the address so provided until such time as the acquisition of
18 title by the decedent's successor or successors in interest has become a
19 matter of public record, or the declaration is revoked or modified. The
20 enforcing officer shall provide copies of any declarations so filed to
21 the assessor, tax collecting officer and county director of real proper-
22 ty tax services within fifteen days of receipt, or as soon thereafter as
23 is practicable.

24 2. If no posthumous declaration of interest has been filed, a delin-
25 quent tax lien may be foreclosed by a proceeding in rem as otherwise
26 provided by this article, notwithstanding the fact that the property
27 owner has died. In such cases, the enforcing officer shall not be
28 obliged to obtain in personam jurisdiction over a personal represen-
29 tative of the decedent's estate; provided, however, that nothing
30 contained herein shall be construed to relieve the enforcing officer of
31 the obligation to cause a notice to be mailed to any persons whose
32 interests in the property are reasonably ascertainable from the records
33 of the surrogate of the county, as provided by subparagraph (i) of para-
34 graph (a) of subdivision one of section eleven hundred twenty-five of
35 this title.

36 § 4. This act shall take effect immediately.

37 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
38 sion, section or subpart contained in any part of this act shall be
39 adjudged by any court of competent jurisdiction to be invalid, such
40 judgment shall not affect, impair, or invalidate the remainder thereof,
41 but shall be confined in its operation to the clause, sentence, para-
42 graph, subdivision, section or subpart contained in any part thereof
43 directly involved in the controversy in which such judgment shall have
44 been rendered. It is hereby declared to be the intent of the legislature
45 that this act would have been enacted even if such invalid provisions
46 had not been included herein.

47 § 3. This act shall take effect immediately, provided, however, that
48 the applicable effective date of Subparts A through E of this act shall
49 be as specifically set forth in the last section of such Subparts.

50

PART AA

51 Section 1. Section 575-b of the real property tax law is amended by
52 adding a new subdivision 4 to read as follows:

1 4. Complaints with respect to assessments determined under this
2 section shall be governed by sections five hundred twelve and five
3 hundred twenty-four of this article and the following provisions:

4 (a) The assessor shall, upon request, provide the owner with the
5 inputs that he or she entered into the commissioner's appraisal model
6 when valuing the property pursuant to this section.

7 (b) The property owner may advise the assessor of any alleged errors
8 to the appraisal model inputs believed to have been made by the asses-
9 sor, and may provide information to the assessor in support of any
10 proposed change to those inputs.

11 (c) If the property owner provides such information to the assessor
12 prior to the filing of the tentative assessment roll, the assessor may
13 make such adjustments to the appraisal model inputs as he or she deems
14 warranted based upon the information provided by the property owner, and
15 may recalculate the property value by entering the adjusted inputs into
16 the appraisal model.

17 (d) If dissatisfied with the assessed value appearing on the tentative
18 assessment roll, the property owner may file a complaint with the board
19 of assessment review; provided, however, that the grounds for review of
20 an assessment determined under this section with respect to both article
21 five and article seven of this chapter shall be limited to the accuracy
22 of the appraisal model inputs made by the assessor.

23 (e) Actions or proceedings that challenge the validity and accuracy of
24 the appraisal model or discount rates established under this section may
25 not be commenced against assessing units. Such challenges may only be
26 brought by commencing an action against the commissioner in the third
27 department of the appellate division of the supreme court in the manner
28 provided by article seventy-eight of the civil practice law and rules.

29 § 2. This act shall take effect immediately.

30

PART BB

31 Section 1. The subsection heading and paragraphs 1, 2, 3, and 4 of
32 subsection (n-1) of section 606 of the tax law, as added by subpart B of
33 part C of chapter 20 of the laws of 2015, the opening paragraph of
34 subparagraph (a) of paragraph 2 as amended by section 7 of part A of
35 chapter 60 of the laws of 2016, are amended to read as follows:

36 [Property tax relief] Homeowner tax rebate credit. (1) An individual
37 taxpayer who meets the eligibility standards in paragraph two of this
38 subsection shall be allowed a credit against the taxes imposed by this
39 article in the amount specified in paragraph three of this subsection
40 for tax [years two thousand sixteen, two thousand seventeen, two thou-
41 sand eighteen, and two thousand nineteen] year two thousand twenty-two.

42 (2) (a) To be eligible for the credit, the taxpayer (or taxpayers
43 filing joint returns) on the personal income tax return filed for the
44 taxable year two years prior, must have (i) been a resident, (ii) owned
45 and primarily resided in real property receiving either the STAR
46 exemption authorized by section four hundred twenty-five of the real
47 property tax law or the school tax relief credit authorized by
48 subsection (eee) of this section, and (iii) had qualified gross income
49 no greater than two hundred [seventy-five] fifty thousand dollars.
50 [Provided, however, that no credit shall be allowed if any of the
51 following apply:

52 (i) Such property is located in an independent school district that is
53 subject to the provisions of section two thousand twenty-three-a of the
54 education law and that has adopted a budget in excess of the tax levy

1 limit prescribed by that section. To render its taxpayers eligible for
 2 the credit authorized by this subsection, the school district must
 3 certify its compliance with such tax levy limit in the manner prescribed
 4 by subdivision two of section two thousand twenty-three-b of the educa-
 5 tion law.

6 (ii) Such property is located in a city with a dependent school
 7 district that is subject to the provisions of section three-c of the
 8 general municipal law and that has adopted a budget in excess of the tax
 9 levy limit prescribed by that section. To render its taxpayers eligible
 10 for the credit authorized by this subsection, the city must certify its
 11 compliance with such tax levy limit in the manner prescribed by subdivi-
 12 sion two of section three-d of the general municipal law.

13 (iii) Such property is located in the city of New York.]

14 (3) Amount of credit. (a) [For the two thousand sixteen taxable year
 15 (i) for a taxpayer residing in real property located within the metro-
 16 politan commuter transportation district (MCTD) and outside the city of
 17 New York, the amount of the credit shall be \$130; (ii) for a taxpayer
 18 residing in real property located outside the MCTD, the amount of the
 19 credit shall be \$185.

20 (b) For the two thousand seventeen, two thousand eighteen and two
 21 thousand nineteen taxable years (i)] For a taxpayer who owned and prima-
 22 rily resided in real property receiving the basic STAR exemption or who
 23 received the basic STAR credit, the amount of the credit shall equal the
 24 STAR tax savings associated with such basic STAR exemption in the two
 25 thousand twenty-one--two thousand twenty-two school year, multiplied by
 26 the following percentage:

27 [(A) for the two thousand seventeen taxable year:

Qualified Gross Income	Percentage
29 Not over \$75,000	28%
30 Over \$75,000 but not over \$150,000	20.5%
31 Over \$150,000 but not over \$200,000	13%
32 Over \$200,000 but not over \$275,000	5.5%
33 Over \$275,000	No credit

34 (B) for the two thousand eighteen taxable year:

Qualified Gross Income	Percentage
36 Not over \$75,000	60%
37 Over \$75,000 but not over \$150,000	42.5%
38 Over \$150,000 but not over \$200,000	25%
39 Over \$200,000 but not over \$275,000	7.5%
40 Over \$275,000	No credit

41 (C) for the two thousand nineteen taxable year:]

42 (i) For a taxpayer whose primary residence is located outside the city
 43 of New York:

Qualified Gross Income	Percentage
45 Not over \$75,000	[85%] <u>163%</u>
46 Over \$75,000 but not over \$150,000	[60%] <u>115%</u>
47 Over \$150,000 but not over \$200,000	[35%] <u>66%</u>
48 Over \$200,000 but not over	[10%] <u>18%</u>
49 <u>[\$275,000] \$250,000</u>	
50 Over <u>[\$275,000] \$250,000</u>	No credit

51 (ii) For a taxpayer whose primary residence is located within the city
 52 of New York:

Qualified Gross Income	Percentage
54 <u>Not over \$75,000</u>	<u>125%</u>
55 <u>Over \$75,000 but not over \$150,000</u>	<u>115%</u>
56 <u>Over \$150,000 but not over \$200,000</u>	<u>105%</u>

1 Over \$200,000 but not over \$250,000 100%

2 Over \$250,000 No credit

3 [(c)] (b) For a taxpayer who owned and primarily resided in real prop-
4 erty receiving the enhanced STAR exemption or who received the enhanced
5 STAR credit, the amount of the credit shall equal the STAR tax savings
6 associated with such enhanced STAR exemption in the two thousand twen-
7 ty-one--two thousand twenty-two school year, multiplied by [the follow-
8 ing percentage:

9 Taxable Year	Percentage
10 two thousand seventeen	12%
11 two thousand eighteen	26%
12 two thousand nineteen	34%]

13 sixty-six percent if the taxpayer's primary residence is located outside
14 the city of New York, or one hundred ten percent if the taxpayer's
15 primary residence is located within the city of New York.

16 [(d)] (c) In no case may the amount of the credit allowed under this
17 subsection exceed the school district taxes due with respect to the
18 residence for that school year, nor shall any credit be allowed under
19 this subsection if the amount determined pursuant to this paragraph is
20 less than one hundred dollars.

21 (4) For purposes of this subsection:

22 (a) "Qualified gross income" means the adjusted gross income of the
23 qualified taxpayer for the taxable year as reported for federal income
24 tax purposes, or which would be reported as adjusted gross income if a
25 federal income tax return were required to be filed. In computing quali-
26 fied gross income, the net amount of loss reported on Federal Schedule
27 C, D, E, or F shall not exceed three thousand dollars per schedule. In
28 addition, the net amount of any other separate category of loss shall
29 not exceed three thousand dollars. The aggregate amount of all losses
30 included in computing qualified gross income shall not exceed fifteen
31 thousand dollars.

32 (b) "STAR tax savings" means the tax savings attributable to the basic
33 or enhanced STAR exemption, whichever is applicable, within a portion of
34 a school district, as determined by the commissioner pursuant to subdi-
35 vision two of section thirteen hundred six-a of the real property tax
36 law.

37 [(c)] "Metropolitan commuter transportation district" or "MCTD" means
38 the metropolitan commuter transportation district as defined in section
39 twelve hundred sixty-two of the public authorities law.]

40 § 2. This act shall take effect immediately.

41

PART CC

42 Section 1. The opening paragraph and subdivisions 1 and 2 of section
43 1306 of the racing, pari-mutuel wagering and breeding law, the opening
44 paragraph as amended by chapter 243 of the laws of 2020 and subdivisions
45 1 and 2 as added by chapter 174 of the laws of 2013, are amended to read
46 as follows:

47 The New York state gaming facility location board shall select,
48 following a competitive process and subject to the restrictions of this
49 article, no more than [four] seven entities to apply to the commission
50 for gaming facility licenses. In exercising its authority, the board
51 shall have all powers necessary or convenient to fully carry out and
52 effectuate its purposes including, but not limited to, the following
53 powers. The board shall:

1 1. issue a request for applications for zone one or two gaming facili-
2 ty licenses pursuant to section one thousand three hundred twelve or
3 section one thousand three hundred twenty-one-b of this article;

4 2. assist the commission in prescribing the form of the application
5 for zone one or two gaming facility licenses including information to be
6 furnished by an applicant concerning an applicant's antecedents, habits,
7 character, associates, criminal record, business activities and finan-
8 cial affairs, past or present pursuant to section one thousand three
9 hundred thirteen or section one thousand three hundred twenty-one-c of
10 this article;

11 § 2. Subparagraph 2 of paragraph (a) of subdivision 2 of section 1310
12 of the racing, pari-mutuel wagering and breeding law, as added by chap-
13 ter 174 of the laws of 2013, is amended to read as follows:

14 (2) Region two shall consist of Bronx, Kings, New York, Queens and
15 Richmond counties[. No gaming facility shall be authorized in region
16 two]; and

17 § 3. The title heading of title 2 of article 13 of the racing, pari-
18 mutuel wagering and breeding law, as added by chapter 174 of the laws of
19 2013, is amended to read as follows:

20 FACILITY DETERMINATION AND LICENSING: UPSTATE GAMING FACILITIES

21 § 4. Section 1310 of title 2 of article 13 of the racing, pari-mutuel
22 wagering and breeding law is redesignated section 1310 of title 1 of
23 such article.

24 § 5. Subdivision 1 of section 1311 of the racing, pari-mutuel wagering
25 and breeding law, as amended by chapter 175 of the laws of 2013, is
26 amended to read as follows:

27 1. The commission is authorized to award up to four gaming facility
28 licenses, in regions one, two and five of zone two. The duration of such
29 initial license shall be ten years. The term of renewal shall be deter-
30 mined by the commission. The commission may award a second license to a
31 qualified applicant in no more than a single region. The commission is
32 not empowered to award any license [in zone one. No gaming facilities
33 are authorized] nor are any gaming facilities authorized under this
34 [article] title for the city of New York or any other portion of zone
35 one.

36 As a condition of licensure, licensees are required to commence gaming
37 operations no more than twenty-four months following license award. No
38 additional licenses may be awarded during the twenty-four month period,
39 nor for an additional sixty months following the end of the twenty-four
40 month period. Should the state legislatively authorize additional gaming
41 facility licenses within these periods, licensees shall have the right
42 to recover the license fee paid pursuant to section one thousand three
43 hundred six of this article.

44 This right shall be incorporated into the license itself, vest upon
45 the opening of a gaming facility in zone one or in the same region as
46 the licensee and entitle the holder of such license to bring an action
47 in the court of claims to recover the license fee paid pursuant to
48 section one thousand three hundred fifteen of this [article] title in
49 the event that any gaming facility license in excess of the number
50 authorized by this section as of the effective date of this section is
51 awarded within seven years from the date that the initial gaming facili-
52 ty license is awarded. This right to recover any such fee shall be
53 proportionate to the length of the respective period that is still
54 remaining upon the vesting of such right.

55 Additionally, the right to bring an action in the court of claims to
56 recover the fee paid to the state on the twenty-fourth day of September,

1 two thousand ten, by the operator of a video lottery gaming facility in
2 a city of more than one million shall vest with such operator upon the
3 opening of any gaming facility licensed by the commission in zone one
4 within seven years from the date that the initial gaming facility
5 license is awarded; provided however that the amount recoverable shall
6 be limited to the pro rata amount of the time remaining until the end of
7 the seven year exclusivity period, proportionate to the period of time
8 between the date of opening of the video lottery facility until the
9 conclusion of the seven year period.

10 2. Notwithstanding the foregoing, no casino gaming facility shall be
11 authorized:

12 (a) in the counties of Clinton, Essex, Franklin, Hamilton, Jefferson,
13 Lewis, Saint Lawrence and Warren;

14 (b) within the following area: (1) to the east, State Route 14 from
15 Sodus Point to the Pennsylvania border with New York; (2) to the north,
16 the border between New York and Canada; (3) to the south, the Pennsylva-
17 nia border with New York; and (4) to the west, the border between New
18 York and Canada and the border between Pennsylvania and New York; and

19 (c) in the counties of Cayuga, Chenango, Cortland, Herkimer, Lewis,
20 Madison, Oneida, Onondaga, Oswego and Otsego.

21 3. As a condition for continued licensure, licensees shall be required
22 to house upon the physical premises of the licensed gaming facility,
23 upon request, a mobile sports wagering platform provider's server or
24 other equipment used for receiving mobile sports wagers pursuant to
25 section [1367-a of the racing, pari-mutuel wagering and breeding law]
26 1367-a of this article; provided however, that such licensee shall be
27 entitled to the reasonable and actual costs, as determined by the gaming
28 commission, of physically housing and securing such server or other
29 equipment used for receiving mobile sports wagers at such licensee's
30 licensed gaming facility; and provided further, for the duration of the
31 initial license term, [that as consideration for housing and securing
32 such server at the physical premises of the licensed gaming facility,] a
33 mobile sports wagering platform provider[s] shall pay [to such licensed
34 gaming facility, five] two and a half million dollars per year [for the
35 duration of the time that such server is housed and operating at the
36 physical premises of such licensed gaming facility] from which each
37 gaming facility licensed under title two of this article shall receive
38 five million dollars per year.

39 § 6. The opening paragraph of subdivision 1 of section 1312 of the
40 racing, pari-mutuel wagering and breeding law, as added by chapter 174
41 of the laws of 2013, is amended to read as follows:

42 The board shall issue within ninety days of a majority of members
43 being appointed a request for applications for a gaming facility license
44 in regions one, two and five in zone two; provided, however, that the
45 board shall not issue any requests for applications for any region in
46 zone one under this title; and further provided that the board shall not
47 issue any requests for applications with respect to any gaming facility
48 subsequently legislatively authorized until seven years following the
49 commencement of gaming activities in zone two, unless such request for
50 application with respect to any subsequently legislatively authorized
51 gaming facility adheres to the procedure as described in section one
52 thousand three hundred eleven of this title. All requests for applica-
53 tions shall include:

54 § 7. Article 13 of the racing, pari-mutuel wagering and breeding law
55 is amended by adding a new title 2-A to read as follows:

TITLE 2-A

FACILITY DETERMINATION AND LICENSING: ADDITIONAL GAMING FACILITIES

Section 1321-a. License authorization; restrictions.1321-b. Requests for applications; requests for information.1321-c. Form of application.1321-d. License applicant eligibility.1321-e. Required capital investment.1321-f. Minimum license thresholds.1321-g. Investigation of license applicants.1321-h. Disqualifying criteria.1321-i. Hearings.1321-j. Siting evaluation.

§ 1321-a. License authorization; restrictions. 1. The commission is authorized to award up to three additional gaming facility licenses. The duration of such initial license and the term of renewal shall be determined by the commission.

2. Notwithstanding the foregoing, no casino gaming facility shall be authorized:

(a) in the counties of Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, Saint Lawrence and Warren;

(b) within the following area: (1) to the east, State Route 14 from Sodus Point to the Pennsylvania border with New York; (2) to the north, the border between New York and Canada; (3) to the south, the Pennsylvania border with New York; and (4) to the west, the border between New York and Canada and the border between Pennsylvania and New York; and

(c) in the counties of Cayuga, Chenango, Cortland, Herkimer, Lewis, Madison, Oneida, Onondaga, Oswego and Otsego.

§ 1321-b. Requests for applications; requests for information. Requests for applications shall be handled in the same manner as provided for in section thirteen hundred twelve of this article for gaming licenses authorized but not awarded, provided however that any requests for applications for gaming facility licenses authorized but not awarded may be for gaming facility licenses in any region in zone one or in regions one, two and five in zone two.

§ 1321-c. Form of application. The form of the application shall be the same as established under section thirteen hundred thirteen of this article.

§ 1321-d. License applicant eligibility. 1. Gaming facility licenses shall only be issued to applicants who are qualified under the criteria set forth in this article, as determined by the commission.

2. As a condition of filing, each potential license applicant must:

(a) demonstrate to the board's satisfaction that the applicant has consulted with local governments and considered input from the community; and

(b) waive all rights they or any affiliated entity possess under section one thousand three hundred eleven of this article to bring an action to recover a fee.

3. The expiration of the seven year restricted period from the date that an initial gaming facility license was awarded is February twenty-eighth, two thousand twenty-three for the three initial casino licenses and November twenty-second, two thousand twenty-three for the final casino license awarded. Should an applicant or applicants commence gaming activities prior to such dates, such applicant or applicants shall be jointly and severally liable for payment of the proportionate fee for the respective period remaining as required by section one thousand three hundred eleven of this article.



1 § 1321-e. Required capital investment. 1. The board shall establish
2 the minimum capital investment for each unawarded gaming facility
3 license. Such investment may include, but not be limited to, a casino
4 area, hotel and other amenities; and provided further, that the board
5 shall determine whether it will include the purchase or lease price of
6 the land where the gaming facility will be located or any infrastructure
7 designed to support the site including, but not limited to, drainage,
8 utility support, roadways, interchanges, fill and soil or groundwater or
9 surface water contamination issues. The board may consider private capi-
10 tal investment made previous to the effective date of this title, but
11 may, in its discretion, discount a percentage of the investment made.
12 Upon award of a gaming license by the commission, the applicant shall be
13 required to deposit ten percent of the total investment proposed in the
14 application into an interest-bearing account. Monies received from the
15 applicant shall be held in escrow until the final stage of construction,
16 as detailed in the timeline of construction submitted with the
17 licensee's application and approved by the commission, at which time the
18 deposit plus interest earned shall be returned to the applicant to be
19 applied for the final stage. Should the applicant be unable to complete
20 the gaming facility, the deposit shall be forfeited to the state. In
21 place of a cash deposit, the commission may allow for an applicant to
22 secure a deposit bond insuring that ten percent of the proposed capital
23 investment shall be forfeited to the state if the applicant is unable to
24 complete the gaming facility.

25 2. Each applicant shall submit its proposed capital investment with
26 its application to the board which shall include stages of construction
27 of the gaming facility and the deadline by which the stages and overall
28 construction and any infrastructure improvements will be completed. In
29 awarding a license, the commission shall determine at what stage of
30 construction a licensee shall be approved to open for gaming; provided,
31 however, that a licensee shall not be approved to open for gaming until
32 the commission has determined that at least the gaming area and other
33 ancillary entertainment services and non-gaming amenities, as required
34 by the board, have been built and are of a superior quality as set forth
35 in the conditions of licensure. The commission shall not approve a
36 gaming facility to open before the completion of the permanent casino
37 area.

38 3. The board shall determine a licensing fee to be paid by a licensee
39 within thirty days after the award of the license which shall be depos-
40 ited into the commercial gaming revenue fund. The license shall set
41 forth the conditions to be satisfied by the licensee before the gaming
42 facility shall be opened to the public. The commission shall set any
43 renewal fee for such license based on the cost of fees associated with
44 the evaluation of a licensee under this article which shall be deposited
45 into the commercial gaming fund. Such renewal fee shall be exclusive of
46 any subsequent licensing fees under this section.

47 4. The commission shall determine the sources and total amount of an
48 applicant's proposed capitalization to develop, construct, maintain and
49 operate a proposed gaming facility under this article. Upon award of a
50 gaming license, the commission shall continue to assess the capitaliza-
51 tion of a licensee for the duration of construction of the proposed
52 gaming facility and the term of the license.

53 § 1321-f. Minimum license thresholds. The minimum licensing thresh-
54 olds shall be the same as those established under section thirteen
55 hundred sixteen of this article.

1 § 1321-g. Investigation of license applicants. The process used to
2 investigate license applicants shall be the same process established
3 under section thirteen hundred seventeen of this article.

4 § 1321-h. Disqualifying criteria. The criteria to disqualify appli-
5 cants shall be the same criteria used for upstate gaming facility
6 licensing, which are enumerated in section thirteen hundred eighteen of
7 this article.

8 § 1321-i. Hearings. The process used for hearings shall be the same
9 process established under section thirteen hundred nineteen of this
10 article.

11 § 1321-j. Siting evaluation. In determining whether an applicant shall
12 be eligible for a gaming facility license, the board shall evaluate how
13 each applicant proposes to advance the following objectives with consid-
14 eration given to the differences between proposed projects related to
15 whether it is a conversion of an existing video lottery gaming facility
16 or new facility construction, and the proposed location. The decision
17 by the board to select a gaming facility license applicant shall be
18 determined based on the following factors which shall include, but not
19 be limited to:

20 (a) realizing maximum capital investment exclusive of land acquisition
21 and infrastructure improvements;

22 (b) maximizing revenues received by the state and localities;

23 (c) providing the highest number of quality jobs in the gaming facili-
24 ty;

25 (d) building a gaming facility of the highest caliber with a variety
26 of quality amenities to be included as part of the gaming facility;

27 (e) offering the highest and best value to patrons to create a secure
28 and robust gaming market in the region and the state;

29 (f) providing a market analysis detailing the benefits of the site
30 location of the gaming facility and the estimated recapture rate of
31 gaming-related spending by residents travelling to an out-of-state
32 gaming facility;

33 (g) offering a reasonable and feasible construction schedule to
34 completion of the full gaming facility;

35 (h) demonstrating the ability to fully finance the gaming facility;

36 (i) demonstrating experience in the development and operation of a
37 quality gaming facility;

38 (j) mitigating potential impacts on host and nearby municipalities
39 which might result from the development or operation of the gaming
40 facility;

41 (k) carefully considering local views and consulting with appropriate
42 local governments;

43 (l) operating in partnership with and promoting local hotels, restau-
44 rants and retail facilities so that patrons experience the full diversi-
45 fied regional tourism industry;

46 (m) establishing a fair and reasonable partnership with live enter-
47 tainment venues that may be impacted by a gaming facility under which
48 the gaming facility actively supports the mission and the operation of
49 the impacted entertainment venues;

50 (n) implementing a workforce development plan that utilizes the exist-
51 ing labor force, including the estimated number of construction jobs a
52 proposed gaming facility will generate, the development of workforce
53 training programs that serve the unemployed and methods for accessing
54 employment at the gaming facility;

1 (o) taking additional measures to address problem gambling including,
2 but not limited to, training of gaming employees to identify patrons
3 exhibiting problems with gambling;

4 (p) utilizing sustainable development principles including, but not
5 limited to:

6 (1) having new and renovation construction certified under the appro-
7 prate certification category in the Leadership in Energy and Environ-
8 mental Design Green Building Rating System created by the United States
9 Green Building Council;

10 (2) efforts to mitigate vehicle trips;

11 (3) efforts to conserve water and manage storm water;

12 (4) demonstrating that electrical and HVAC equipment and appliances
13 will be Energy Star labeled where available;

14 (5) procuring or generating on-site ten percent of its annual elec-
15 tricity consumption from renewable sources; and

16 (6) developing an ongoing plan to submeter and monitor all major
17 sources of energy consumption and undertake regular efforts to maintain
18 and improve energy efficiency of buildings in their systems;

19 (q) establishing, funding and maintaining human resource hiring and
20 training practices that promote the development of a skilled and diverse
21 workforce and access to promotion opportunities through a workforce
22 training program that:

23 (1) establishes transparent career paths with measurable criteria
24 within the gaming facility that lead to increased responsibility and
25 higher pay grades that are designed to allow employees to pursue career
26 advancement and promotion;

27 (2) provides employee access to additional resources, such as tuition
28 reimbursement or stipend policies, to enable employees to acquire the
29 education or job training needed to advance career paths based on
30 increased responsibility and pay grades; and

31 (3) establishes an on-site child day care program;

32 (r) purchasing, whenever possible, domestically manufactured slot
33 machines for installation in the gaming facility;

34 (s) implementing a workforce development plan that:

35 (1) incorporates an affirmative action program of equal opportunity by
36 which the applicant guarantees to provide equal employment opportunities
37 to all employees qualified for licensure in all employment categories,
38 including persons with disabilities;

39 (2) utilizes the existing labor force in the state;

40 (3) estimates the number of construction jobs a gaming facility will
41 generate and provides for equal employment opportunities and which
42 includes specific goals for the utilization of minorities, women and
43 veterans on those construction jobs;

44 (4) identifies workforce training programs offered by the gaming
45 facility; and

46 (5) identifies the methods for accessing employment at the gaming
47 facility; and

48 (t) demonstrating that the applicant has an agreement with organized
49 labor, including hospitality services, and has the support of organized
50 labor for its application, which specifies:

51 (1) the number of employees to be employed at the gaming facility,
52 including detailed information on the pay rate and benefits for employ-
53 ees and contractors in the gaming facility and all infrastructure
54 improvements related to the project; and



1 (2) detailed plans for assuring labor harmony during all phases of the
2 construction, reconstruction, renovation, development and operation of
3 the gaming facility.

4 § 8. Section 1351 of the racing, pari-mutuel wagering and breeding law
5 is amended by adding a new subdivision 1-a to read as follows:

6 1-a. For a gaming facility licensed pursuant to title two-A of this
7 article, there is hereby imposed a tax on gross gaming revenues with the
8 rates to be determined by the gaming commission pursuant to a compet-
9 itive bidding process as outlined in title two-A of this article.

10 § 9. This act shall take effect immediately.

11 PART DD

12 Section 1. Section 509-a of the racing, pari-mutuel wagering and
13 breeding law, as amended by section 1 of part LLL of chapter 59 of the
14 laws of 2021, is amended to read as follows:

15 § 509-a. Capital acquisition fund. 1. The corporation may create and
16 establish a capital acquisition fund for the purpose of financing the
17 acquisition, construction or equipping of offices, facilities or prem-
18 ises of the corporation. Such capital acquisition fund shall consist of
19 (i) the amounts specified pursuant to subdivision three-a of section
20 five hundred thirty-two of this chapter; and (ii) contributions from the
21 corporation's pari-mutuel wagering pools, subject to the following limi-
22 tations:

23 a. no contribution shall exceed the amount of one percent of the total
24 pari-mutuel wagering pools for the quarter in which the contribution is
25 made;

26 b. no contribution shall reduce the amount of quarterly net revenues,
27 exclusive of surcharge revenues, to an amount less than fifty percent of
28 such net revenues; and

29 c. the balance of the fund shall not exceed the lesser of one percent
30 of total pari-mutuel wagering pools for the previous twelve months or
31 the undepreciated value of the corporation's offices, facilities and
32 premises.

33 2. a. Notwithstanding any other provision of law or regulation to the
34 contrary, from April nineteenth, two thousand twenty-one to March thir-
35 ty-first, two thousand twenty-two, twenty-three percent of the funds,
36 not to exceed two and one-half million dollars, in the Catskill off-
37 track betting corporation's capital acquisition fund and twenty-three
38 percent of the funds, not to exceed four hundred forty thousand dollars,
39 in the Capital off-track betting corporation's capital acquisition fund
40 established pursuant to this section shall also be available to such
41 off-track betting corporation for the purposes of statutory obligations,
42 payroll, and expenditures necessary to accept authorized wagers.

43 b. Notwithstanding any other provision of law or regulation to
44 the contrary, from April first, two thousand twenty-two to March thir-
45 ty-first, two thousand twenty-three, twenty-three percent of the funds,
46 not to exceed four hundred forty thousand dollars, in the Capital
47 off-track betting corporation's capital acquisition fund established
48 pursuant to this section shall also be available to such off-track
49 betting corporation for the purposes of statutory obligations,
50 payroll, and expenditures necessary to accept authorized wagers.

51 3. The Catskill off-track betting corporation and the Capital off-
52 track betting corporation shall make a report to the governor, speaker
53 of the assembly, temporary president of the senate and the commission
54 detailing the actual use of the funds made available in the capital

1 acquisition fund. Such report shall include, but not be limited to, any
2 impact on employment levels since utilizing the funds, the status of any
3 statutory obligations, an accounting of the use of such funds, and any
4 other information as deemed necessary by the commission. Such report
5 shall be due no later than the [first day of April two thousand twenty-
6 two] last day of the fiscal year in which the monies were spent.

7 § 2. Section 2 of part LLL of chapter 59 of the laws of 2021 amending
8 the racing, pari-mutuel wagering and breeding law, relating to the
9 utilization of funds in the Catskill and Capital regions off-track
10 betting corporation's capital acquisition funds, is amended to read
11 as follows:

12 § 2. This act shall take effect immediately [and shall expire and be
13 deemed repealed one year after such date].

14 § 3. This act shall take effect immediately.

15

PART EE

16 Section 1. Paragraph (a) of subdivision 1 of section 1003 of the
17 racing, pari-mutuel wagering and breeding law, as amended by section 1
18 of part DD of chapter 59 of the laws of 2021, is amended to read as
19 follows:

20 (a) Any racing association or corporation or regional off-track
21 betting corporation, authorized to conduct pari-mutuel wagering under
22 this chapter, desiring to display the simulcast of horse races on which
23 pari-mutuel betting shall be permitted in the manner and subject to the
24 conditions provided for in this article may apply to the commission for
25 a license so to do. Applications for licenses shall be in such form as
26 may be prescribed by the commission and shall contain such information
27 or other material or evidence as the commission may require. No license
28 shall be issued by the commission authorizing the simulcast transmission
29 of thoroughbred races from a track located in Suffolk county. The fee
30 for such licenses shall be five hundred dollars per simulcast facility
31 and for account wagering licensees that do not operate either a simul-
32 cast facility that is open to the public within the state of New York or
33 a licensed racetrack within the state, twenty thousand dollars per year
34 payable by the licensee to the commission for deposit into the general
35 fund. Except as provided in this section, the commission shall not
36 approve any application to conduct simulcasting into individual or group
37 residences, homes or other areas for the purposes of or in connection
38 with pari-mutuel wagering. The commission may approve simulcasting into
39 residences, homes or other areas to be conducted jointly by one or more
40 regional off-track betting corporations and one or more of the follow-
41 ing: a franchised corporation, thoroughbred racing corporation or a
42 harness racing corporation or association; provided (i) the simulcasting
43 consists only of those races on which pari-mutuel betting is authorized
44 by this chapter at one or more simulcast facilities for each of the
45 contracting off-track betting corporations which shall include wagers
46 made in accordance with section one thousand fifteen, one thousand
47 sixteen and one thousand seventeen of this article; provided further
48 that the contract provisions or other simulcast arrangements for such
49 simulcast facility shall be no less favorable than those in effect on
50 January first, two thousand five; (ii) that each off-track betting
51 corporation having within its geographic boundaries such residences,
52 homes or other areas technically capable of receiving the simulcast
53 signal shall be a contracting party; (iii) the distribution of revenues
54 shall be subject to contractual agreement of the parties except that

1 statutory payments to non-contracting parties, if any, may not be
2 reduced; provided, however, that nothing herein to the contrary shall
3 prevent a track from televising its races on an irregular basis primari-
4 ly for promotional or marketing purposes as found by the commission. For
5 purposes of this paragraph, the provisions of section one thousand thir-
6 teen of this article shall not apply. Any agreement authorizing an
7 in-home simulcasting experiment commencing prior to May fifteenth, nine-
8 teen hundred ninety-five, may, and all its terms, be extended until June
9 thirtieth, two thousand [twenty-two] twenty-three; provided, however,
10 that any party to such agreement may elect to terminate such agreement
11 upon conveying written notice to all other parties of such agreement at
12 least forty-five days prior to the effective date of the termination,
13 via registered mail. Any party to an agreement receiving such notice of
14 an intent to terminate, may request the commission to mediate between
15 the parties new terms and conditions in a replacement agreement between
16 the parties as will permit continuation of an in-home experiment until
17 June thirtieth, two thousand [twenty-two] twenty-three; and (iv) no
18 in-home simulcasting in the thoroughbred special betting district shall
19 occur without the approval of the regional thoroughbred track.

20 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section
21 1007 of the racing, pari-mutuel wagering and breeding law, as amended by
22 section 2 of part DD of chapter 59 of the laws of 2021, is amended to
23 read as follows:

24 (iii) Of the sums retained by a receiving track located in Westchester
25 county on races received from a franchised corporation, for the period
26 commencing January first, two thousand eight and continuing through June
27 thirtieth, two thousand [twenty-two] twenty-three, the amount used
28 exclusively for purses to be awarded at races conducted by such receiv-
29 ing track shall be computed as follows: of the sums so retained, two and
30 one-half percent of the total pools. Such amount shall be increased or
31 decreased in the amount of fifty percent of the difference in total
32 commissions determined by comparing the total commissions available
33 after July twenty-first, nineteen hundred ninety-five to the total
34 commissions that would have been available to such track prior to July
35 twenty-first, nineteen hundred ninety-five.

36 § 3. The opening paragraph of subdivision 1 of section 1014 of the
37 racing, pari-mutuel wagering and breeding law, as amended by section 3
38 of part DD of chapter 59 of the laws of 2021, is amended to read as
39 follows:

40 The provisions of this section shall govern the simulcasting of races
41 conducted at thoroughbred tracks located in another state or country on
42 any day during which a franchised corporation is conducting a race meet-
43 ing in Saratoga county at Saratoga thoroughbred racetrack until June
44 thirtieth, two thousand [twenty-two] twenty-three and on any day regard-
45 less of whether or not a franchised corporation is conducting a race
46 meeting in Saratoga county at Saratoga thoroughbred racetrack after June
47 thirtieth, two thousand [twenty-two] twenty-three. On any day on which a
48 franchised corporation has not scheduled a racing program but a
49 thoroughbred racing corporation located within the state is conducting
50 racing, each off-track betting corporation branch office and each simul-
51 casting facility licensed in accordance with section one thousand seven
52 (that has entered into a written agreement with such facility's repre-
53 sentative horsemen's organization, as approved by the commission), one
54 thousand eight, or one thousand nine of this article shall be authorized
55 to accept wagers and display the live simulcast signal from thoroughbred

1 tracks located in another state or foreign country subject to the
2 following provisions:

3 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering
4 and breeding law, as amended by section 4 of part DD of chapter 59 of
5 the laws of 2021, is amended to read as follows:

6 1. The provisions of this section shall govern the simulcasting of
7 races conducted at harness tracks located in another state or country
8 during the period July first, nineteen hundred ninety-four through June
9 thirtieth, two thousand [twenty-two] ~~twenty-three~~. This section shall
10 supersede all inconsistent provisions of this chapter.

11 § 5. The opening paragraph of subdivision 1 of section 1016 of the
12 racing, pari-mutuel wagering and breeding law, as amended by section 5
13 of part DD of chapter 59 of the laws of 2021, is amended to read as
14 follows:

15 The provisions of this section shall govern the simulcasting of races
16 conducted at thoroughbred tracks located in another state or country on
17 any day during which a franchised corporation is not conducting a race
18 meeting in Saratoga county at Saratoga thoroughbred racetrack until June
19 thirtieth, two thousand [twenty-two] ~~twenty-three~~. Every off-track
20 betting corporation branch office and every simulcasting facility
21 licensed in accordance with section one thousand seven that have entered
22 into a written agreement with such facility's representative horsemen's
23 organization as approved by the commission, one thousand eight or one
24 thousand nine of this article shall be authorized to accept wagers and
25 display the live full-card simulcast signal of thoroughbred tracks
26 (which may include quarter horse or mixed meetings provided that all
27 such wagering on such races shall be construed to be thoroughbred races)
28 located in another state or foreign country, subject to the following
29 provisions; provided, however, no such written agreement shall be
30 required of a franchised corporation licensed in accordance with section
31 one thousand seven of this article:

32 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel
33 wagering and breeding law, as amended by section 6 of part DD of chapter
34 59 of the laws of 2021, is amended to read as follows:

35 Notwithstanding any other provision of this chapter, for the period
36 July twenty-fifth, two thousand one through September eighth, two thou-
37 sand [twenty-one] ~~twenty-two~~, when a franchised corporation is conduct-
38 ing a race meeting within the state at Saratoga Race Course, every off-
39 track betting corporation branch office and every simulcasting facility
40 licensed in accordance with section one thousand seven (that has entered
41 into a written agreement with such facility's representative horsemen's
42 organization as approved by the commission), one thousand eight or one
43 thousand nine of this article shall be authorized to accept wagers and
44 display the live simulcast signal from thoroughbred tracks located in
45 another state, provided that such facility shall accept wagers on races
46 run at all in-state thoroughbred tracks which are conducting racing
47 programs subject to the following provisions; provided, however, no such
48 written agreement shall be required of a franchised corporation licensed
49 in accordance with section one thousand seven of this article.

50 § 7. Section 32 of chapter 281 of the laws of 1994, amending the
51 racing, pari-mutuel wagering and breeding law and other laws relating to
52 simulcasting, as amended by section 7 of part DD of chapter 59 of the
53 laws of 2021, is amended to read as follows:

54 § 32. This act shall take effect immediately and the pari-mutuel tax
55 reductions in section six of this act shall expire and be deemed
56 repealed on July 1, [2022] ~~2023~~; provided, however, that nothing

1 contained herein shall be deemed to affect the application, qualifica-
2 tion, expiration, or repeal of any provision of law amended by any
3 section of this act, and such provisions shall be applied or qualified
4 or shall expire or be deemed repealed in the same manner, to the same
5 extent and on the same date as the case may be as otherwise provided by
6 law; provided further, however, that sections twenty-three and twenty-
7 five of this act shall remain in full force and effect only until May 1,
8 1997 and at such time shall be deemed to be repealed.

9 § 8. Section 54 of chapter 346 of the laws of 1990, amending the
10 racing, pari-mutuel wagering and breeding law and other laws relating to
11 simulcasting and the imposition of certain taxes, as amended by section
12 8 of part DD of chapter 59 of the laws of 2021, is amended to read as
13 follows:

14 § 54. This act shall take effect immediately; provided, however,
15 sections three through twelve of this act shall take effect on January
16 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-
17 ing law, as added by section thirty-eight of this act, shall expire and
18 be deemed repealed on July 1, [2022] 2023; and section eighteen of this
19 act shall take effect on July 1, 2008 and sections fifty-one and fifty-
20 two of this act shall take effect as of the same date as chapter 772 of
21 the laws of 1989 took effect.

22 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,
23 pari-mutuel wagering and breeding law, as amended by section 9 of part
24 DD of chapter 59 of the laws of 2021, is amended to read as follows:

25 (a) The franchised corporation authorized under this chapter to
26 conduct pari-mutuel betting at a race meeting or races run thereat shall
27 distribute all sums deposited in any pari-mutuel pool to the holders of
28 winning tickets therein, provided such tickets are presented for payment
29 before April first of the year following the year of their purchase,
30 less an amount that shall be established and retained by such franchised
31 corporation of between twelve to seventeen percent of the total deposits
32 in pools resulting from on-track regular bets, and fourteen to twenty-
33 one percent of the total deposits in pools resulting from on-track
34 multiple bets and fifteen to twenty-five percent of the total deposits
35 in pools resulting from on-track exotic bets and fifteen to thirty-six
36 percent of the total deposits in pools resulting from on-track super
37 exotic bets, plus the breaks. The retention rate to be established is
38 subject to the prior approval of the commission.

39 Such rate may not be changed more than once per calendar quarter to be
40 effective on the first day of the calendar quarter. "Exotic bets" and
41 "multiple bets" shall have the meanings set forth in section five
42 hundred nineteen of this chapter. "Super exotic bets" shall have the
43 meaning set forth in section three hundred one of this chapter. For
44 purposes of this section, a "pick six bet" shall mean a single bet or
45 wager on the outcomes of six races. The breaks are hereby defined as the
46 odd cents over any multiple of five for payoffs greater than one dollar
47 five cents but less than five dollars, over any multiple of ten for
48 payoffs greater than five dollars but less than twenty-five dollars,
49 over any multiple of twenty-five for payoffs greater than twenty-five
50 dollars but less than two hundred fifty dollars, or over any multiple of
51 fifty for payoffs over two hundred fifty dollars. Out of the amount so
52 retained there shall be paid by such franchised corporation to the
53 commissioner of taxation and finance, as a reasonable tax by the state
54 for the privilege of conducting pari-mutuel betting on the races run at
55 the race meetings held by such franchised corporation, the following
56 percentages of the total pool for regular and multiple bets five percent

1 of regular bets and four percent of multiple bets plus twenty percent of
2 the breaks; for exotic wagers seven and one-half percent plus twenty
3 percent of the breaks, and for super exotic bets seven and one-half
4 percent plus fifty percent of the breaks.

5 For the period April first, two thousand one through December thirty-
6 first, two thousand [twenty-two] twenty-three, such tax on all wagers
7 shall be one and six-tenths percent, plus, in each such period, twenty
8 percent of the breaks. Payment to the New York state thoroughbred breed-
9 ing and development fund by such franchised corporation shall be one-
10 half of one percent of total daily on-track pari-mutuel pools resulting
11 from regular, multiple and exotic bets and three percent of super exotic
12 bets and for the period April first, two thousand one through December
13 thirty-first, two thousand [twenty-two] twenty-three, such payment shall
14 be seven-tenths of one percent of regular, multiple and exotic pools.

15 § 10. This act shall take effect immediately.

16 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
17 sion, section or part of this act shall be adjudged by any court of
18 competent jurisdiction to be invalid, such judgment shall not affect,
19 impair, or invalidate the remainder thereof, but shall be confined in
20 its operation to the clause, sentence, paragraph, subdivision, section
21 or part thereof directly involved in the controversy in which such judg-
22 ment shall have been rendered. It is hereby declared to be the intent of
23 the legislature that this act would have been enacted even if such
24 invalid provisions had not been included herein.

25 § 3. This act shall take effect immediately provided, however, that
26 the applicable effective date of Parts A through EE of this act shall be
27 as specifically set forth in the last section of such Parts.

