

# STATE OF NEW YORK

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8809--A

## IN ASSEMBLY

January 17, 2024

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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 and the administrative code of the city of New York, in relation to extending the itemized deduction limit on individuals with income over ten million dollars (Part A); to amend part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, in relation to the effectiveness thereof (Part B); to amend the tax law, in relation to making technical corrections to the metropolitan commuter transportation mobility tax (Part C); to amend the tax law, in relation to the restriction upon issuing notices for a tax year that is the subject of a pending petition filed with the division of tax appeals (Part D); to amend the executive law and the tax law, in relation to creating the commercial security tax credit program (Part E); to amend section 23 of part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness of certain provisions relating to mandatory electronic filing of tax documents (Part F); to repeal subdivision (e) of section 23 of part U of chapter 61 of the laws of 2011 relating to the expiration of the segregated sales tax account provisions (Part G); to amend the tax law, in relation to the filing of amended returns under article 28 thereof (Part H); to amend the tax law, in relation to exempting from sales and use tax certain tangible personal property and services (Part I); to amend the tax law, in relation to extending the sales tax exemption for certain sales made through vending machines (Part J); to amend the real property law and the tax law, in relation to short-term residential rental of private dwellings in certain municipalities (Part K); to amend the tax law, in relation to the taxation of adult-use cannabis products (Part L); intentionally omitted (Part M); intentionally omitted (Part N); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Catskill off-track betting corporation's capital acquisition fund and the Capital off-track betting corporation's capital acquisition fund (Part O); to amend the

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

LBD12674-03-4

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 59 of the laws of 2023 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 59 of the laws of 2023 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 P); to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York Jockey Injury Compensation Fund, Inc. (Part Q); to amend the racing, pari-mutuel wagering and breeding law, in relation to establishing a Cornell racehorse safety program; and providing for the expiration of certain provisions (Part R); to amend the tax law, in relation to the corporate franchise tax rate (Part S); to amend the tax law, in relation to increasing the personal income tax rate for certain income levels (Part T); to amend the tax law, in relation to establishing phaseout rates for the earned income tax credit (Part U); to amend the tax law, in relation to eligibility for the earned income tax credit (Part V); to amend the tax law, in relation to a payment of a supplemental empire state child credit (Part W); to amend the tax law, in relation to adjusting the homeowner tax rebate credit for STAR recipients (Part X); to amend the tax law, in relation to allowing a tax exemption with respect to fire extinguishers and fire, heat and carbon monoxide alarms purchased for residential use (Part Y); to amend the tax law, in relation to exempting school supplies from sales tax during a specified period each year (Part Z); to amend the tax law, in relation to exempting oral care products from the tax on retail sales (Part AA); to amend the tax law, in relation to establishing a sales tax exemption for energy storage (Part BB); and to amend the tax law, in relation to creating a work opportunity tax credit; and providing for the repeal of such provisions upon expiration thereof (Part CC)

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 2024-2025  
3 state fiscal year. Each component is wholly contained within a Part  
4 identified as Parts A through CC. 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



1 Section 1. Paragraph 2 of subsection (g) of section 615 of the tax  
2 law, as amended by section 1 of part Q of chapter 59 of the laws of  
3 2019, is amended to read as follows:

4 (2) With respect to an individual whose New York adjusted gross income  
5 is over ten million dollars, the New York itemized deduction shall be an  
6 amount equal to twenty-five percent of any charitable contribution  
7 deduction allowed under section one hundred seventy of the internal  
8 revenue code for taxable years beginning after two thousand nine and  
9 ending before two thousand [twenty-five] thirty.

10 § 2. Paragraph 2 of subdivision (g) of section 11-1715 of the adminis-  
11 trative code of the city of New York, as amended by section 2 of part Q  
12 of chapter 59 of the laws of 2019, is amended to read as follows:

13 (2) With respect to an individual whose New York adjusted gross income  
14 is over ten million dollars, the New York itemized deduction shall be an  
15 amount equal to twenty-five percent of any charitable contribution  
16 deduction allowed under section one hundred seventy of the internal  
17 revenue code for taxable years beginning after two thousand nine and  
18 ending before two thousand [twenty-five] thirty.

19 § 3. This act shall take effect immediately.

20

#### PART B

21 Section 1. Section 12 of part N of chapter 61 of the laws of 2005,  
22 amending the tax law relating to certain transactions and related infor-  
23 mation and relating to the voluntary compliance initiative, as amended  
24 by section 1 of part O of chapter 59 of the laws of 2019, is amended to  
25 read as follows:

26 § 12. This act shall take effect immediately; provided, however, that  
27 (i) section one of this act shall apply to all disclosure statements  
28 described in paragraph 1 of subdivision (a) of section 25 of the tax  
29 law, as added by section one of this act, that were required to be filed  
30 with the internal revenue service at any time with respect to "listed  
31 transactions" as described in such paragraph 1, and shall apply to all  
32 disclosure statements described in paragraph 1 of subdivision (a) of  
33 section 25 of the tax law, as added by section one of this act, that  
34 were required to be filed with the internal revenue service with respect  
35 to "reportable transactions" as described in such paragraph 1, other  
36 than "listed transactions", in which a taxpayer participated during any  
37 taxable year for which the statute of limitations for assessment has not  
38 expired as of the date this act shall take effect, and shall apply to  
39 returns or statements described in such paragraph 1 required to be filed  
40 by taxpayers (or persons as described in such paragraph) with the  
41 commissioner of taxation and finance on or after the sixtieth day after  
42 this act shall have become a law; and

43 (ii) sections two through four and seven through nine of this act  
44 shall apply to any tax liability for which the statute of limitations on  
45 assessment has not expired as of the date this act shall take effect;  
46 and

47 (iii) provided, further, that the provisions of this act, except  
48 section five of this act, shall expire and be deemed repealed July 1,  
49 [2024] 2029; provided, that, such expiration and repeal shall not affect  
50 any requirement imposed pursuant to this act.

51 § 2. This act shall take effect immediately.

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#### PART C

1 Section 1. The opening paragraph of paragraph 2 of subsection (a) of  
2 section 801 of the tax law, as amended by section 1 of part N of chapter  
3 59 of the laws of 2012, is amended to read as follows:

4 (A) For individuals, the tax is imposed at a rate of thirty-four  
5 hundredths (.34) percent of the net earnings from self-employment of  
6 individuals that are attributable to the MCTD, in the counties of Dutch-  
7 ess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester, if such  
8 earnings attributable to the MCTD exceed fifty thousand dollars for the  
9 tax year.

10 § 2. This act shall take effect immediately and shall apply to taxable  
11 years beginning on or after January 1, 2024.

12

## PART D

13 Section 1. Paragraph 2 of subsection (c) and paragraph 4 of subsection  
14 (d) of section 689 of the tax law, paragraph 2 of subsection (c) as  
15 amended by chapter 40 of the laws of 1964 and paragraph 4 of subsection  
16 (d) as amended by chapter 28 of the laws of 1987, are amended to read as  
17 follows:

18 (2) the taxpayer has not previously filed with the tax commission a  
19 timely petition under subsection (b) of this section for the same taxa-  
20 ble year unless the petition under this subsection relates to a separate  
21 claim for credit or refund properly filed under subsection (f) of  
22 section six hundred eighty-seven of this part or relates to a refund or  
23 credit first claimed on an amended return for the taxable year, and

24 (4) Restriction on further notices of deficiency. -- If the taxpayer  
25 files a petition with the tax commission under this section, no notice  
26 of deficiency under section six hundred eighty-one of this part may  
27 thereafter be issued by the tax commission for the same [taxable year]  
28 tax return, except in case of fraud or with respect to a change or  
29 correction required to be reported under section six hundred fifty-nine  
30 of this article.

31 § 2. Paragraph 2 of subsection (c) and paragraph 4 of subsection (d)  
32 of section 1089 of the tax law, paragraph 2 of subsection (c) as added  
33 by chapter 188 of the laws of 1964 and paragraph 4 of subsection (d) as  
34 amended by chapter 817 of the laws of 1987, are amended to read as  
35 follows:

36 (2) the taxpayer has not previously filed with the tax commission a  
37 timely petition under subsection (b) of this section for the same taxa-  
38 ble year unless the petition under this subsection relates to a separate  
39 claim for credit or refund properly filed under subsection (f) of  
40 section one thousand eighty-seven of this article or relates to a refund  
41 or credit first claimed on an amended return for the taxable year, and

42 (4) Restriction on further notices of deficiency. ---If the taxpayer  
43 files a petition with the tax commission under this section, no notice  
44 of deficiency under section one thousand eighty-one of this article may  
45 thereafter be issued by the tax commission for the same [taxable year]  
46 tax return, except in case of fraud or with respect to an increase or  
47 decrease in federal taxable income or federal alternative minimum taxa-  
48 ble income or federal tax or a federal change or correction or renegoti-  
49 ation, or computation or recomputation of tax, which is treated in the  
50 same manner as if it were a deficiency for federal income tax purposes,  
51 required to be reported under subdivision three of section two hundred  
52 eleven[, or under section two hundred nineteen-bb or under section two  
53 hundred nineteen-zz] of this chapter.



1 § 3. This act shall take effect immediately and apply to taxable years  
2 beginning on or after January 1, 2024.

3

## PART E

4 Section 1. The executive law is amended by adding a new section 845-e  
5 to read as follows:

6 § 845-e. Commercial security tax credit program. 1. Definitions. For  
7 the purposes of this section:

8 (a) "Certificate of tax credit" means the document issued to a busi-  
9 ness entity by the division after the division has verified that the  
10 business entity has met all applicable eligibility criteria in subdivi-  
11 sion two of this section. The certificate shall specify the exact amount  
12 of the tax credit under this section that a business entity may claim,  
13 pursuant to subdivision five of this section, and other information as  
14 required by the department of taxation and finance.

15 (b) "Qualified business" means a business with twenty-five or fewer  
16 total employees that operates one or more physical retail business  
17 locations open to the public in New York state that incurs costs related  
18 to protection against retail theft of goods through retail theft  
19 prevention measures.

20 (c) "Qualified retail theft prevention measure expenses" means any  
21 combination of retail theft prevention measure costs paid or incurred by  
22 a qualified business during the taxable year that cumulatively exceed  
23 three thousand dollars for each New York retail location.

24 (d) "Retail theft prevention measure" means (i) the use of security  
25 officers as defined in paragraph (e) of this subdivision, (ii) security  
26 cameras, (iii) perimeter security lighting, (iv) interior or exterior  
27 locking or hardening measures, (v) alarm systems, (vi) access control  
28 systems, or (vii) other appropriate anti-theft devices as determined by  
29 the division to be eligible under this section.

30 (e) "Security officers" means security officers, registered under  
31 article seven-A of the general business law, responsible for the securi-  
32 ty and theft deterrence in a qualified business, whether employed  
33 directly by such business or indirectly through a contractor.

34 2. Eligibility criteria. To be eligible for a tax credit under the  
35 commercial security tax credit program, an eligible business must:

36 (a) be a qualified business required to file a tax return pursuant to  
37 articles nine, nine-A or twenty-two of the tax law;

38 (b) have qualified retail theft prevention measure expenses that  
39 exceed three thousand dollars for each New York retail location during  
40 the taxable year;

41 (c) provide a certification in a manner and form prescribed by the  
42 commissioner that the business entity participates in a community anti-  
43 theft partnership as established by the division between businesses and  
44 relevant local law enforcement agencies; and

45 (d) may not owe past due state taxes or local property taxes unless  
46 the business entity is making payments and complying with an approved  
47 binding payment agreement entered into with the taxing authority.

48 3. Application and approval process. (a) A business entity must submit  
49 a complete application as prescribed by the commissioner by October  
50 thirty-first of each year.

51 (b) The commissioner shall establish procedures for business entities  
52 to submit applications. As part of the application, each business entity  
53 must:

1 (i) provide evidence of eligibility in a form and manner prescribed by  
2 the commissioner;

3 (ii) agree to allow the department of taxation and finance to share  
4 the business entity's tax information with the division. However, any  
5 information shared as a result of this program shall not be available  
6 for disclosure or inspection under the state freedom of information law  
7 pursuant to article six of the public officers law;

8 (iii) allow the division and its agents access to any and all books  
9 and records the division may require to confirm eligibility; and

10 (iv) agree to provide any additional information required by the divi-  
11 sion relevant to this section.

12 4. Certificate of tax credit. After reviewing a business entity's  
13 completed final application and determining that a business entity meets  
14 the eligibility criteria as set forth in this section, the division may  
15 issue to that business entity a certificate of tax credit. All applica-  
16 tions will be processed by the division in the order they are received  
17 and certificates of tax credit may be issued in amounts that, in the  
18 aggregate, do not exceed the annual cap as set forth in subdivision  
19 seven of this section.

20 5. Commercial security tax credit. (a) For taxable years beginning on  
21 or after January first, two thousand twenty-four and before January  
22 first, two thousand twenty-six, a business entity in the commercial  
23 security tax credit program that meets the eligibility requirements of  
24 subdivision two of this section may be eligible to claim a credit equal  
25 to three thousand dollars for each retail location of the business enti-  
26 ty located in New York state.

27 (b) A business entity may claim the tax credit in the taxable year  
28 that begins in the year for which it was allocated a credit by the divi-  
29 sion under this section.

30 (c) The credit shall be allowed as provided in section forty-nine,  
31 section one hundred eighty-seven-r, subdivision sixty of section two  
32 hundred ten-B and subsection (ppp) of section six hundred six of the tax  
33 law.

34 (d) The commissioner shall, in consultation with the department of  
35 taxation and finance, develop a certificate of tax credit that shall be  
36 issued by the commissioner to eligible businesses.

37 (e) 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 subdivision two and subdivision three of this section. In  
41 the event a business entity is removed from the program, the division  
42 shall notify the department of taxation and finance of such removal.

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

46 7. Cap on tax credit. The total amount of tax credits listed on  
47 certificates of tax credit issued by the division pursuant to this  
48 section may not exceed five million dollars per calendar year.

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

51 § 49. Commercial security tax credit. (a) Allowance of credit. For  
52 taxable years beginning on or after January first, two thousand twenty-  
53 four and before January first, two thousand twenty-six, a taxpayer  
54 required to file a return pursuant to articles nine, nine-A or twenty-  
55 two of this chapter shall be allowed a credit against such tax, pursuant  
56 to the provisions referenced in subdivision (f) of this section. The

1 amount of the credit is equal to the amount determined pursuant to  
2 section eight hundred forty-five-e of the executive law. No cost or  
3 expense paid or incurred by the taxpayer that is included as part of the  
4 calculation of this credit shall be the basis of any other tax credit  
5 allowed under this chapter.

6 (b) To be eligible for the commercial security tax credit, the taxpay-  
7 er shall have been issued a certificate of tax credit by the division of  
8 criminal justice services pursuant to section eight hundred forty-five-e  
9 of the executive law, which certificate shall set forth the amount of  
10 the credit that may be claimed for the taxable year. The taxpayer shall  
11 be allowed to claim only the amount listed on the certificate of tax  
12 credit for the taxable year. A taxpayer that is a partner in a partner-  
13 ship, member of a limited liability company or shareholder in a subchap-  
14 ter S corporation that has received a certificate of tax credit shall be  
15 allowed its pro rata share of the credit earned by the partnership,  
16 limited liability company or subchapter S corporation.

17 (c) Tax return requirement. The taxpayer shall be required to attach  
18 to its tax return in the form prescribed by the commissioner, proof of  
19 receipt of its certificate of tax credit issued by the division of crim-  
20 inal justice services.

21 (d) Information sharing. Notwithstanding any provision of this chap-  
22 ter, employees of the division of criminal justice services and the  
23 department shall be allowed and are directed to share and exchange:

24 (1) information derived from tax returns or reports that is relevant  
25 to a taxpayer's eligibility to participate in the commercial security  
26 tax credit program;

27 (2) information regarding the credit applied for, allowed or claimed  
28 pursuant to this section and taxpayers that are applying for the commer-  
29 cial security tax credit program or that are claiming such credit; and

30 (3) information contained in or derived from credit claim forms  
31 submitted to the department and applications for admission into the  
32 commercial security tax credit program. All information exchanged  
33 between the department and the division of criminal justice services  
34 shall not be subject to disclosure or inspection under the state's free-  
35 dom of information law.

36 (e) Credit recapture. If a certificate of tax credit issued by the  
37 division of criminal justice services under section eight hundred  
38 forty-five-e of the executive law is revoked by the division, the amount  
39 of credit described in this section and claimed by the taxpayer prior to  
40 such revocation shall be added back to tax in the taxable year such  
41 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; section 187-r;

45 (2) article 9-A: section 210-B, subdivision 60;

46 (3) article 22: section 606, subsection (ppp).

47 § 3. The tax law is amended by adding a new section 187-r to read as  
48 follows:

49 § 187-r. Commercial security tax credit. 1. Allowance of credit. A  
50 taxpayer shall be allowed a credit, to be computed as provided in  
51 section forty-nine of this chapter, against the tax imposed by this  
52 article.

53 2. Application of credit. In no event shall the credit under this  
54 section be allowed in an amount that will reduce the tax payable to less  
55 than the applicable minimum tax fixed by section one hundred eighty-  
56 three of this article. If, however, the amount of credit allowable under

1 this section for any taxable year reduces the tax to such amount, any  
 2 amount of credit not deductible in such taxable year shall be treated as  
 3 an overpayment of tax to be refunded in accordance with the provisions  
 4 of section one thousand eighty-six of this chapter. Provided, however,  
 5 the provisions of subsection (c) of section one thousand eighty-eight of  
 6 this chapter notwithstanding, no interest shall be paid thereon.

7 § 4. Section 210-B of the tax law is amended by adding a new subdivi-  
 8 sion 60 to read as follows:

9 60. Commercial security tax credit. (a) Allowance of credit. A taxpay-  
 10 er shall be allowed a credit, to be computed as provided in section  
 11 forty-nine of this chapter, against the taxes imposed by this article.

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

24 § 5. Section 606 of the tax law is amended by adding a new subsection  
 25 (ppp) to read as follows:

26 (ppp) Commercial security tax credit. (1) Allowance of credit. A  
 27 taxpayer shall be allowed a credit, to be computed as provided in  
 28 section forty-nine of this chapter, against the tax imposed by this  
 29 article.

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

36 § 6. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
 37 of the tax law is amended by adding a new clause (li) to read as  
 38 follows:

39 <u>(li) Commercial security tax</u>	<u>Amount of credit under</u>
40 <u>credit under subsection (ppp)</u>	<u>subdivision sixty of</u>
	<u>section two hundred ten-B</u>

42 § 7. This act shall take effect immediately.

43

## PART F

44 Section 1. Intentionally omitted.

45 § 2. Intentionally omitted.

46 § 3. Intentionally omitted.

47 § 4. Intentionally omitted.

48 § 5. Subdivisions (a), (b), (c) and (d) of section 23 of part U of  
 49 chapter 61 of the laws of 2011, amending the real property tax law and  
 50 other laws relating to establishing standards for electronic tax  
 51 administration, subdivisions (a), (c) and (d) as amended by section 5 of  
 52 part A of chapter 59 of the laws of 2019 and subdivision (b) as amended  
 53 by section 5 of part G of chapter 60 of the laws of 2016, are amended to  
 54 read as follows:



1 (a) the amendments to section 29 of the tax law made by section thir-  
2 teen of this act shall apply to tax documents filed or required to be  
3 filed on or after the sixtieth day after which this act shall have  
4 become a law and shall expire and be deemed repealed December 31, [2024]  
5 2029, provided however that the amendments to paragraph 4 of subdivision  
6 (a) of section 29 of the tax law and paragraph 2 of subdivision (e) of  
7 section 29 of the tax law made by section thirteen of this act with  
8 regard to individual taxpayers shall take effect September 15, 2011 but  
9 only if the commissioner of taxation and finance has reported in the  
10 report required by section seventeen-b of this act that the percentage  
11 of individual taxpayers electronically filing their 2010 income tax  
12 returns is less than eighty-five percent; provided that the commissioner  
13 of taxation and finance shall notify the legislative bill drafting  
14 commission of the date of the issuance of such report in order that the  
15 commission may maintain an accurate and timely effective data base of  
16 the official text of the laws of the state of New York in furtherance of  
17 effectuating the provisions of section 44 of the legislative law and  
18 section 70-b of the public officers law;

19 (b) sections fourteen, fifteen, sixteen and seventeen of this act  
20 shall take effect September 15, 2011 but only if the commissioner of  
21 taxation and finance has reported in the report required by section  
22 seventeen-b of this act that the percentage of individual taxpayers  
23 electronically filing their 2010 income tax returns is less than eight-  
24 y-five percent;

25 (c) sections fourteen-a and fifteen-a of this act shall take effect  
26 September 15, 2011 and expire and be deemed repealed December 31, 2012  
27 but shall take effect only if the commissioner of taxation and finance  
28 has reported in the report required by section seventeen-b of this act  
29 that the percentage of individual taxpayers electronically filing their  
30 2010 income tax returns is eighty-five percent or greater;

31 (d) sections fourteen-b, fifteen-b, sixteen-b and seventeen-a of this  
32 act shall take effect January 1, [2025] 2030 but only if the commission-  
33 er of taxation and finance has reported in the report required by  
34 section seventeen-b of this act that the percentage of individual  
35 taxpayers electronically filing their 2010 income tax returns is less  
36 than eighty-five percent; and

37 § 6. This act shall take effect immediately.

38

## PART G

39 Section 1. Subdivision (e) of section 23 of part U of chapter 61 of  
40 the laws of 2011 is REPEALED.

41 § 2. This act shall take effect immediately.

42

## PART H

43 Section 1. Section 1136 of the tax law is amended by adding a new  
44 subdivision (d-1) to read as follows:

45 (d-1) (1) Notwithstanding subdivision (d) of this section, a return may  
46 be amended where such amendment would not result in the reduction or  
47 elimination of a past-due tax liability, as such term is defined in  
48 section one hundred seventy-one-v of this chapter. Provided, however,  
49 that a person required to collect tax, as defined in section eleven  
50 hundred thirty-one of this part, may amend a return within one hundred  
51 eighty days of the date such return was due if the past-due liability  
52 was self-assessed and reported by such person.



1 (2) Where there is no such past-due tax liability, an amended return  
2 that would result in the reduction or elimination of tax due shall be  
3 deemed a claim for credit or refund and must be filed within the time  
4 required for filing a claim for credit or refund under section eleven  
5 hundred thirty-nine of this part and otherwise meet the requirements of  
6 such section.

7 (3) Where the commissioner has determined the amount of tax due pursu-  
8 ant to paragraph one of subdivision (a) of section eleven hundred thir-  
9 ty-eight of this part, an original return may be filed within one  
10 hundred eighty days after mailing of notice of such determination.  
11 Provided, however, that nothing in this paragraph shall affect any  
12 penalty or interest that may have accrued for such tax period on account  
13 of failure to timely file the original return.

14 (4) An assessment of tax, penalty and interest, including recovery of  
15 a previously paid refund, attributable to a change or correction on a  
16 return, may be made at any time within three years after such return is  
17 filed.

18 § 2. Subdivision (a) of section 1145 of the tax law is amended by  
19 adding a new paragraph 8 to read as follows:

20 (8) Notwithstanding any other provision of this article, any person  
21 who willfully files or amends a return that contains false information  
22 to reduce or eliminate a liability shall be subject to a penalty not to  
23 exceed one thousand dollars per return. This penalty shall be in addi-  
24 tion to any other penalty provided by law.

25 § 3. The commissioner of taxation and finance shall be required to  
26 provide notice to persons required to collect tax of the amendments made  
27 by sections one and two of this act no later than September 1, 2024.

28 § 4. This act shall take effect immediately, provided, however, the  
29 amendments made by section one of this act shall apply to returns filed  
30 or amended for quarterly periods, as described in subdivision (b) of  
31 section 1136 of the tax law, commencing on and after December 1, 2024.

32

## PART I

33 Section 1. Subdivision (jj) of section 1115 of the tax law, as amended  
34 by section 1 of part M of chapter 59 of the laws of 2021, is amended to  
35 read as follows:

36 (jj) Tangible personal property or services otherwise taxable under  
37 this article sold to a related person shall not be subject to the taxes  
38 imposed by section eleven hundred five of this article or the compensat-  
39 ing use tax imposed under section eleven hundred ten of this article  
40 where the purchaser can show that the following conditions have been met  
41 to the extent they are applicable: (1) (i) the vendor and the purchaser  
42 are referenced as either a "covered company" as described in section  
43 243.2(f) or a "material entity" as described in section 243.2(1) of the  
44 Code of Federal Regulations in a resolution plan that has been submitted  
45 to an agency of the United States for the purpose of satisfying subpara-  
46 graph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-  
47 Frank Wall Street Reform and Consumer Protection Act (the "Act") or any  
48 successor law, or (ii) the vendor and the purchaser are separate legal  
49 entities pursuant to a divestiture directed pursuant to subparagraph 5  
50 of paragraph (d) of section one hundred sixty-five of such act or any  
51 successor law; (2) the sale would not have occurred between such related  
52 entities were it not for such resolution plan or divestiture; and (3) in  
53 acquiring such property or services, the vendor did not claim an  
54 exemption from the tax imposed by this state or another state based on

1 the vendor's intent to resell such services or property. A person is  
2 related to another person for purposes of this subdivision if the person  
3 bears a relationship to such person described in section two hundred  
4 sixty-seven of the internal revenue code. The exemption provided by this  
5 subdivision shall not apply to sales made, services rendered, or uses  
6 occurring after June thirtieth, two thousand [twenty-four] twenty-seven,  
7 except with respect to sales made, services rendered, or uses occurring  
8 pursuant to binding contracts entered into on or before such date; but  
9 in no case shall such exemption apply after June thirtieth, two thousand  
10 [twenty-seven] thirty.  
11 § 2. This act shall take effect immediately.

## 12 PART J

13 Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of  
14 section 1115 of the tax law, as amended by section 1 of part R of chap-  
15 ter 59 of the laws of 2023, is amended to read as follows:

16 (B) Until May thirty-first, two thousand [twenty-four] twenty-five,  
17 the food and drink excluded from the exemption provided by clauses (i),  
18 (ii) and (iii) of subparagraph (A) of this paragraph, and bottled water,  
19 shall be exempt under this subparagraph: (i) when sold for one dollar  
20 and fifty cents or less through any vending machine that accepts coin or  
21 currency only; or (ii) when sold for two dollars or less through any  
22 vending machine that accepts any form of payment other than coin or  
23 currency, whether or not it also accepts coin or currency.

24 § 2. This act shall take effect immediately.

## 25 PART K

26 Section 1. The real property law is amended by adding a new article  
27 12-D to read as follows:

28 ARTICLE 12-D29 SHORT-TERM RESIDENTIAL RENTAL UNITS

30 Section 447-a. Definitions.

31 447-b. Short-term residential rental units; regulation.

32 447-c. Registration.

33 447-d. Exceptions.

34 447-e. Penalties.

35 447-f. Enforcement.

36 447-g. Data sharing.

37 § 447-a. Definitions. For the purposes of this article, the following  
38 terms shall have the following meanings:

39 1. "Short-term residential rental unit" means an entire dwelling unit,  
40 or a room, group of rooms, other living or sleeping space, or any other  
41 space within a dwelling, made available for rent by guests for less than  
42 thirty consecutive days, where the unit is offered for tourist or tran-  
43 sient use by the short-term rental host of the residential unit.

44 2. "Short-term rental host" means a person or entity in lawful  
45 possession of a short-term rental unit who rents such unit to guests in  
46 accordance with this article.

47 3. "Booking service" means a person or entity who, directly or indi-  
48 rectly:

49 (a) provides one or more online, computer or application-based plat-  
50 forms that individually or collectively can be used to:

51 (i) list or advertise offers for short-term rentals, and

1 (ii) either accept such offers, or reserve or pay for such rentals;  
2 and

3 (b) charges, collects or receives a fee for the use of such a platform  
4 or for provision of any service in connection with a short-term rental.  
5 A booking service shall not be construed to include a platform that  
6 solely lists or advertises offers for short-term rentals.

7 § 447-b. Short-term residential rental units; regulation. 1. A short-  
8 term rental host may operate a dwelling unit as a short-term residential  
9 rental unit provided such dwelling unit:

10 (a) is registered in accordance with section four hundred forty-sev-  
11 en-c of this article;

12 (b) is not used to provide single room occupancy as defined by subdi-  
13 vision forty-four of section four of the multiple residence law and  
14 subdivision sixteen of section four of the multiple dwelling law;

15 (c) includes a conspicuously posted evacuation diagram identifying all  
16 means of egress from the unit and the building in which it is located;

17 (d) includes a conspicuously posted list of emergency phone numbers  
18 for police, fire, and poison control;

19 (e) has a working fire-extinguisher;

20 (f) is insured by an insurer licensed to write insurance in this state  
21 or procured by a duly licensed excess line broker pursuant to section  
22 two thousand one hundred eighteen of the insurance law for at least the  
23 value of the dwelling, plus a minimum of three hundred thousand dollars  
24 coverage for third party claims of property damage or bodily injury that  
25 arise out of the operation of a short-term rental unit. Notwithstanding  
26 any other provision of law, no insurer shall be required to provide such  
27 coverage;

28 (g) is not subject to the emergency tenant protection act of nineteen  
29 seventy-four, the rent stabilization law of nineteen sixty-nine, the  
30 emergency housing rent control law, the local emergency housing rent  
31 control act or otherwise regulated or supervised by a federal, state, or  
32 local agency pursuant to any other law or rule or an agreement with such  
33 federal, state, or local agency; and

34 (h) is not otherwise prohibited from operating as a short-term rental  
35 unit by federal, state, or local law, rules, and regulations.

36 2. Occupancies of a short-term rental unit shall be subject to taxes  
37 and fees pursuant to articles twenty-eight and twenty-nine of the tax  
38 law and applicable local laws.

39 3. Short-term rental hosts shall maintain records related to guest  
40 stays for two years following the end of the calendar year in which an  
41 individual rental stay occurred, including the date of each stay and  
42 number of guests, the cost for each stay, including relevant tax, and  
43 records related to their registration as short-term rental hosts with  
44 the department of state. As a requirement for registration under section  
45 four hundred forty-seven-c of this article, hosts shall provide these  
46 records to the department of state on an annual basis. The department  
47 shall share this report with county, city, town, or village governments  
48 and shall make such reports available to local municipal enforcement  
49 agencies upon request. Where the booking service is the short-term  
50 rental host, the short-term rental host may be exempt from providing  
51 such report provided that the booking service includes all necessary  
52 information required of a short-term rental host in the report required  
53 pursuant to subdivision four of this section.

54 4. Booking services shall develop and maintain a report related to  
55 short-term rental unit guest stays that the booking service has facili-  
56 tated in the state for two years following the end of the calendar year

1 in which an individual rental stay occurred. The report shall include  
2 the dates of each stay and the number of guests, the cost for each stay,  
3 including relevant tax, the physical address, including any unit desig-  
4 nation, of each short-term rental unit booked, the full legal name of  
5 each short-term rental unit's host, and each short-term rental unit's  
6 registration number. In the event a booking service does not adhere to  
7 subdivision two of section four hundred forty-seven-c of this article,  
8 or more information is deemed necessary by the department of state, the  
9 department may access this report and all relevant records from a book-  
10 ing service in response to valid legal process. The department shall  
11 share this report and records with county, city, town, or village  
12 governments and shall make such reports available to local municipal  
13 enforcement agencies when lawfully requested. Reports and any records  
14 provided to generate such reports shall not be made publicly available  
15 without the redaction of the full legal name of each short-term rental  
16 unit's host, the street name and number of the physical address of any  
17 identified short-term rental unit and the unit's registration number.

18 5. It shall be unlawful for a booking service to collect a fee for  
19 facilitating booking transactions for short-term residential rental  
20 units located in this state if the booking service has not verified with  
21 the department of state, or in cities with a population over one million  
22 with such city, the short-term rental unit and its owner or tenant have  
23 been issued a current, valid registration by the department of state.

24 6. The provisions of this article shall apply to all short-term resi-  
25 dential rental units in the state; provided, however, that a munici-  
26 pality that has its own short-term residential rental unit registry as  
27 of the effective date of this article may continue such registry and all  
28 short-term residential rental units in such municipality shall be  
29 required to be registered with the department of state. In a city with a  
30 population over one million, all short-term residential rental units  
31 shall only register with such city as provided in a local law, rule, or  
32 regulation. Municipalities with short-term residential rental unit  
33 registries as of the effective date of this article shall maintain the  
34 authority to manage such registries and to collect fines for  
35 violations related to the registration of short-term residential rental  
36 units with such municipal registry. A city with a population over one  
37 million that has a short-term residential rental registry shall provide  
38 information on short-term residential rental units registered within  
39 such municipality to the department of state, on a monthly basis of  
40 each calendar year, in order for the department to maintain a current  
41 database of all short-term residential units registered within the  
42 state. Municipalities with short-term residential rental unit regis-  
43 tries as of the effective date of this article may establish registra-  
44 tion requirements and regulations in such municipality in addition to  
45 the requirements of this section. The department of state shall share  
46 the report required pursuant to subdivision three of this section with  
47 municipalities with short-term residential rental unit registries upon  
48 request. No municipality shall create its own short-term rental residen-  
49 tial rental unit registry after the effective date of this article.

50 § 447-c. Registration. 1. Short-term rental hosts shall be required to  
51 register a short-term residential rental unit with the department of  
52 state.

53 (a) Registration with the department of state shall be valid for two  
54 years, after which time the short-term rental host may renew the regis-  
55 tration in a manner prescribed by the department of state. The depart-  
56 ment of state may revoke the registration of a short-term rental host

1 upon a determination that the short-term rental host has violated any  
2 provision of this article at least three times in two calendar years,  
3 and may determine that the short-term rental host shall be ineligible  
4 for registration for a period of up to twelve months from the date of  
5 such determination or at the request of a municipality when such municipi-  
6 pality requests such revocation due to illegal occupancy. Listing or  
7 offering a dwelling unit, or portion thereof, as a short-term residen-  
8 tial rental unit without current, valid registration shall be unlawful  
9 and shall make persons who list or offer such unit ineligible for regis-  
10 tration for a period of twelve months from the date a determination is  
11 made that a violation has occurred.

12 (b) A short-term rental host shall include their current, valid regis-  
13 tration number on all offerings, listings or advertisements for short-  
14 term rental guest stays.

15 (c) A tenant, or other person that does not own a unit that is used as  
16 a short-term rental unit but is in lawful possession of a short-term  
17 residential rental unit, shall not qualify for registration if they are  
18 not the permanent occupant of the dwelling unit in question and have not  
19 been granted permission in writing by the owner for its short-term  
20 rental. Proof of written consent by the owner shall be provided to and  
21 verified by the department of state or any municipality with its own  
22 registration system before the issuing or renewal of a registration  
23 number.

24 (d) The department of state shall make available to booking services  
25 the data necessary to allow booking services to verify the registration  
26 status of a short-term residential rental unit and that the unit is  
27 associated with the short-term rental host who registered the unit.

28 (e) The short-term rental host shall pay application and renewal  
29 registration fees in an amount to be established by the department of  
30 state.

31 (f) Such registration fee shall include a fee for the use of the elec-  
32 tronic verification system in an amount to be established by the depart-  
33 ment of state which shall not exceed the cost to build, operate, and  
34 maintain such system.

35 2. It shall be unlawful for a booking service to collect a fee for  
36 facilitating booking transactions for short-term residential rental  
37 units located in this state without such booking service first register-  
38 ing with the department of state. Accordingly, booking services shall  
39 adhere to the following, in addition to other regulations established by  
40 the department, as conditions of such registration:

41 (a) Booking services shall provide to the department on a quarterly  
42 basis, in a form and manner to be determined by the department, the  
43 report developed and maintained by the booking service in accordance  
44 with subdivision four of section four hundred forty-seven-b of this  
45 article. The department shall share this report with county, city, town,  
46 or village governments and shall make such reports available to local  
47 municipal enforcement agencies when lawfully requested.

48 (b) A booking service shall provide agreement in writing to the  
49 department that it will:

50 (i) Obtain written consent from all short-term rental hosts intending  
51 to utilize their platform, for short-term residential rental units  
52 located in this state, for the disclosure of the information pursuant to  
53 subdivision four of section four hundred forty-seven-b of this article,  
54 in accordance with paragraph (a) of this subdivision; and

1 (ii) Furnish the information identified pursuant to subdivision four  
2 of section four hundred forty-seven-b of this article, in accordance  
3 with paragraph (a) of this subdivision.

4 3. The department of state shall set a fee for booking service regis-  
5 tration with the department.

6 § 447-d. Exceptions. This article shall not apply to:

7 1. Incidental and occasional occupancy of such dwelling unit for  
8 fewer than thirty consecutive days by other natural persons when the  
9 permanent occupants are temporarily absent for personal reasons, such as  
10 vacation or medical treatment, provided that there is no monetary  
11 compensation paid to the permanent occupants for such occupancy; or

12 2. A municipality which does not allow short-term residential rentals;  
13 provided, however, that such municipality shall request an exception  
14 from this article; or

15 3. Temporary housing or lodging permitted by the department of health.

16 § 447-e. Penalties. 1. Any booking service which collects a fee  
17 related to booking a unit as a short-term rental where such unit is not  
18 registered in accordance with this article shall be fined in accordance  
19 with subdivisions four and five of this section. The secretary of state  
20 or their designee may also seek an injunction from a court of competent  
21 jurisdiction prohibiting the collection of any fees relating to the  
22 offering or renting of the unit as a short-term residential rental.

23 2. Any person who offers a short-term residential rental unit without  
24 registering with the department of state, or any person who offers an  
25 eligible short-term residential rental unit as a short-term rental while  
26 the unit's registration on the short-term residential rental unit regis-  
27 try is suspended, shall be fined in accordance with subdivisions four  
28 and five of this section.

29 3. Any person who fails to comply with any notice of violation or  
30 other order issued pursuant to this article by the department of state  
31 for a violation of any provision of this article shall be fined in  
32 accordance with subdivisions four and five of this section.

33 4. A short-term rental host that violates the requirements of this  
34 article shall receive a warning notice issued, without penalty, by the  
35 department of state upon the first and second violation. The warning  
36 notice shall detail actions to be taken to cure the violation. For a  
37 third violation a fine up to two hundred dollars shall be imposed. For  
38 each subsequent violation, a fine of up to five hundred dollars per day  
39 shall be imposed. Upon the issuance of a violation, a seven-day period  
40 to cure the violation shall be granted. During such cure period, no  
41 further fines shall be accumulated against the short-term rental host,  
42 except where a new violation is related to a different short-term rental  
43 unit.

44 5. A booking service that violates the requirements of this article  
45 shall be issued a fine of up to five hundred dollars per day, per  
46 violation, until such violation is cured.

47 6. In a municipality that has its own registration system, the munici-  
48 pality may establish and effectuate its own penalty system.

49 § 447-f. Enforcement. 1. The provisions of this article may be  
50 enforced in accordance with article eight of the multiple dwelling law  
51 or article eight of the multiple residence law, as applicable in the  
52 municipality where the short-term residential unit is located.

53 2. The department of state may enter into agreements with a booking  
54 service for assistance in enforcing the provisions of this section,  
55 including but not limited to an agreement whereby the booking service  
56 agrees to remove a listing from its platform that is deemed ineligible

1 for use as a short-term residential rental unit under the provisions of  
2 this article, and whereby the booking service agrees to prohibit a  
3 short-term rental host from listing any listing without a valid regis-  
4 tration number.

5 3. The attorney general shall be authorized to bring an action for a  
6 violation of this article for any such violations occurring in the  
7 state, regardless of the registration system in place within the appli-  
8 cable jurisdiction.

9 4. A municipality shall be entitled to bring an action for a violation  
10 of this article for any such violations of this article occurring in the  
11 municipality, and may notify the attorney general.

12 § 447-g. Data sharing. Booking services shall provide to the depart-  
13 ment of state, on a monthly basis, an electronic report, in a format  
14 determined by the department of state of the listings maintained,  
15 authorized, facilitated or advertised by the booking service within the  
16 state for the applicable reporting period. The report shall include the  
17 registration number, and a breakdown of where the listings are located,  
18 whether the listing is for a partial unit or a whole unit, and shall  
19 include the number of nights each unit was reported as occupied during  
20 the applicable reporting period. The department of state shall provide  
21 such report to all municipalities where listings are located on a month-  
22 ly basis, provided, the department of state shall only provide to each  
23 municipality the part of the report with information on listings in such  
24 municipality.

25 § 2. Subdivision (c) of section 1101 of the tax law, as added by chap-  
26 ter 93 of the laws of 1965, paragraphs 2, 3, 4 and 6 as amended by  
27 section 2 and paragraph 8 as added by section 3 of part AA of chapter 57  
28 of the laws of 2010, and paragraph 5 as amended by chapter 575 of the  
29 laws of 1965, is amended to read as follows:

30 (c) When used in this article for the purposes of the tax imposed  
31 under subdivision (e) of section eleven hundred five of this article,  
32 and subdivision (a) of section eleven hundred four of this article, the  
33 following terms shall mean:

34 (1) Hotel. A building or portion of it which is regularly used and  
35 kept open as such for the lodging of guests. The term "hotel" includes  
36 an apartment hotel, a motel, boarding house or club, whether or not  
37 meals are served, and short-term rental units.

38 (2) Occupancy. The use or possession, or the right to the use or  
39 possession, of any room in a hotel. "Right to the use or possession"  
40 includes the rights of a room remarketer as described in paragraph eight  
41 of this subdivision.

42 (3) Occupant. A person who, for a consideration, uses, possesses, or  
43 has the right to use or possess, any room in a hotel under any lease,  
44 concession, permit, right of access, license to use or other agreement,  
45 or otherwise. "Right to use or possess" includes the rights of a room  
46 remarketer as described in paragraph eight of this subdivision.

47 (4) Operator. Any person operating a hotel. Such term shall include a  
48 room remarketer and such room remarketer shall be deemed to operate a  
49 hotel, or portion thereof, with respect to which such person has the  
50 rights of a room remarketer.

51 (5) Permanent resident. Any occupant of any room or rooms in a hotel  
52 for at least ninety consecutive days shall be considered a permanent  
53 resident with regard to the period of such occupancy.

54 (6) Rent. The consideration received for occupancy, including any  
55 service or other charge or amount required to be paid as a condition for  
56 occupancy, valued in money, whether received in money or otherwise and



1 whether received by the operator [or], a booking service, a room remarketer or another person on behalf of [either] any of them.

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

6 (8) Room remarketer. A person who reserves, arranges for, conveys, or furnishes occupancy, whether directly or indirectly, to an occupant for rent in an amount determined by the room remarketer, directly or indirectly, whether pursuant to a written or other agreement. Such person's ability or authority to reserve, arrange for, convey, or furnish occupancy, directly or indirectly, and to determine rent therefor, shall be the "rights of a room remarketer". A room remarketer is not a permanent resident with respect to a room for which such person has the rights of a room remarketer. This term does not include a booking service unless such service otherwise meets this definition.

16 (9) Short-term rental unit. A short-term residential unit as defined in section four hundred forty-seven-a of the real property law which is registered with the department of state or a municipal registration system, which includes but is not limited to title twenty-six of the administrative code of the city of New York.

21 (10) Booking service. (i) A person or entity who, directly or indirectly:

23 (A) provides one or more online, computer or application-based platforms that individually or collectively can be used to:

25 (I) list or advertise offers for rental of a short-term rental unit, or space in a short-term rental unit, a type of a hotel as defined in paragraph one of this subdivision, and

28 (II) either accept such offers, or reserve or pay for such rentals; and

30 (B) charges, collects or receives a fee from a customer or host for the use of such a platform or for provision of any service in connection with the rental of a short-term rental unit, or space in a short-term rental unit, a type of a hotel as defined in paragraph one of this subdivision. For the purposes of this section, "customer" means an individual or organization that purchases a stay at a short-term rental.

36 (ii) A booking service shall not include a person or entity who facilitates bookings of hotel rooms solely on behalf of affiliated persons or entities, including franchisees, operating under a shared hotel brand.

39 (iii) A booking service shall not include a person or entity who facilitates bookings of hotel rooms and does not collect and retain the rent paid for such occupancy, as defined by paragraph six of this subdivision.

43 § 3. Subdivision (e) of section 1105 of the tax law is amended by adding a new paragraph 3 to read as follows:

45 (3) The rent for every occupancy of a room or rooms in a short-term rental unit, or space in a short-term rental unit, a type of a hotel offered for rent through a booking service, as defined in paragraph ten of subdivision (c) of section eleven hundred one of this article, regardless of whether it is furnished, limited to a single family occupancy, or provides housekeeping, food, or other common hotel services, including, but not limited to, entertainment or planned activities.

52 § 4. Subdivision 1 of section 1131 of the tax law, as amended by section 2 of part G of chapter 59 of the laws of 2019, is amended to read as follows:

55 (1) "Persons required to collect tax" or "person required to collect any tax imposed by this article" shall include: every vendor of tangible

1 personal property or services; every recipient of amusement charges;  
2 every operator of a hotel; [and] every marketplace provider with respect  
3 to sales of tangible personal property it facilitates as described in  
4 paragraph one of subdivision (e) of section eleven hundred one of this  
5 article; and booking services unless relieved of such obligation pursu-  
6 ant to paragraph three of subdivision (m) of section eleven hundred  
7 thirty-two of this part. Said terms shall also include any officer,  
8 director or employee of a corporation or of a dissolved corporation, any  
9 employee of a partnership, any employee or manager of a limited liabil-  
10 ity company, or any employee of an individual proprietorship who as such  
11 officer, director, employee or manager is under a duty to act for such  
12 corporation, partnership, limited liability company or individual  
13 proprietorship in complying with any requirement of this article, or has  
14 so acted; and any member of a partnership or limited liability company.  
15 Provided, however, that any person who is a vendor solely by reason of  
16 clause (D) or (E) of subparagraph (i) of paragraph (8) of subdivision  
17 (b) of section eleven hundred one of this article shall not be a "person  
18 required to collect any tax imposed by this article" until twenty days  
19 after the date by which such person is required to file a certificate of  
20 registration pursuant to section eleven hundred thirty-four of this  
21 part.

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

24 (m) (1) A booking service shall be required to (i) collect from the  
25 occupants the applicable taxes arising from such occupancies; (ii)  
26 comply with all the provisions of this article and article twenty-nine  
27 of this chapter and any regulations adopted pursuant thereto; (iii)  
28 register to collect tax under section eleven hundred thirty-four of this  
29 part; and (iv) retain records and information as required by the commis-  
30 sioner and cooperate with the commissioner to ensure the proper  
31 collection and remittance of tax imposed, collected, or required to be  
32 collected under this article and article twenty-nine of this chapter.

33 (2) In carrying out the obligations imposed under this section, a  
34 booking service shall have all the duties, benefits, and entitlements of  
35 a person required to collect tax under this article and article twenty-  
36 nine of this chapter with respect to the occupancies giving rise to the  
37 tax obligation, including the right to accept a certificate or other  
38 documentation from an occupant substantiating an exemption or exclusion  
39 from tax, as if such booking service were the operator of the hotel with  
40 respect to such occupancy, including the right to receive the refund  
41 authorized by subdivision (e) of this section and the credit allowed by  
42 subdivision (f) of section eleven hundred thirty-seven of this part.

43 (3) An operator of a hotel is not a person required to collect tax for  
44 purposes of this part with respect to taxes imposed upon occupancies of  
45 hotels if:

46 (i) the operator of the hotel can show that the occupancy was facili-  
47 tated by a booking service who is registered to collect tax pursuant to  
48 section eleven hundred thirty-four of this part; and

49 (ii) the operator of the hotel accepted from the booking service a  
50 properly completed certificate of collection in a form prescribed by the  
51 commissioner certifying that the booking service has agreed to assume  
52 the tax collection and filing responsibilities of the operator of the  
53 hotel; and

54 (iii) any failure of the booking service to collect the proper amount  
55 of tax with respect to such occupancy was not the result of the operator

1 of the hotel providing incorrect information to the booking service,  
2 whether intentional or unintentional.

3 This provision shall be administered in a manner consistent with  
4 subparagraph (i) of paragraph one of subdivision (c) of this section as  
5 if a certificate of collection were a resale or exemption certificate  
6 for purposes of such subparagraph, including with regard to the  
7 completeness of such certificate of collection and the timing of its  
8 acceptance by the operator of the hotel; provided however, that with  
9 regard to any occupancies sold by an operator of the hotel that are  
10 facilitated by a booking service who is affiliated with such operator,  
11 the operator shall be deemed liable as a person under a duty to act for  
12 such booking service for purposes of subdivision one of section eleven  
13 hundred thirty-one of this part.

14 (4) The commissioner may, in the commissioner's discretion develop  
15 standard language, or approve language developed by a booking service,  
16 in which the booking service obligates itself to collect the tax on  
17 behalf of all the operators of hotels.

18 (5) In the event an operator of a hotel is a room remarketer, and all  
19 other provisions of this subdivision are met such that a booking service  
20 is obligated to collect tax, and does in fact collect tax as evidenced  
21 by the books and records of such booking service, then the provisions of  
22 subdivision (e) of section eleven hundred nineteen of this article shall  
23 be applicable.

24 § 6. Paragraph 4 of subdivision (a) of section 1136 of the tax law, as  
25 amended by section 5 of part G of chapter 59 of the laws of 2019, is  
26 amended to read as follows:

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

1 short-term rental host to the booking service about such rent and such  
2 occupancy is accurate.

3 § 7. 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 booking services  
6 whose certificates of authority have been revoked and, if necessary to  
7 protect sales tax revenue, provide by regulation or otherwise that a  
8 short-term rental unit operator will be relieved of the requirement to  
9 register and the duty to collect tax on the rent for occupancy of a  
10 short-term rental facilitated by a booking service provider only if, in  
11 addition to the conditions prescribed by paragraph two of subdivision  
12 (m) of section eleven hundred thirty-two and paragraph six of subdivi-  
13 sion (a) of section eleven hundred thirty-four of this part being met,  
14 such booking service is not on such list at the commencement of the  
15 quarterly period covered thereby.

16 § 8. Subpart A of part 1 of article 29 of the tax law is amended by  
17 adding a new section 1200 to read as follows:

18 § 1200. Definition. For the purposes of this article "hotel" shall  
19 mean a building or portion of such building which is regularly used and  
20 kept open as such for the lodging of guests, including: (a) an apartment  
21 hotel, (b) a motel, (c) a boarding house or club, whether or not meals  
22 are served, and (d) short-term residential rental units as defined in  
23 subdivision one of section four hundred forty-seven-a of the real prop-  
24 erty law.

25 § 9. Notwithstanding any other provisions of law to the contrary, a  
26 county, city, town, or village government may enact a local law prohib-  
27 iting or further limiting the listing or use of dwelling units, or  
28 portions thereof, as short-term residential rental units.

29 § 10. Severability. If any provision of this act, or any application  
30 of any provision of this act, is held to be invalid, that shall not  
31 affect the validity or effectiveness of any other provision of this act,  
32 or of any other application of any provision of this act, which can be  
33 given effect without that provision or application; and to that end, the  
34 provisions and applications of this act are severable.

35 § 11. This act shall take effect on the one hundred twentieth day  
36 after it shall have become a law.

37

#### PART L

38 Section 1. Subdivision (a) of section 493 of the tax law, as added by  
39 chapter 92 of the laws of 2021, is amended to read as follows:

40 (a) There is hereby imposed a tax on adult-use cannabis products sold  
41 by a distributor to a person who sells adult-use cannabis products at  
42 retail at the [following rates:

43 (1) cannabis flower at the rate of five-tenths of one cent per milli-  
44 gram of the amount of total THC, as reflected on the product label;

45 (2) concentrated cannabis at the rate of eight-tenths of one cent per  
46 milligram of the amount of total THC, as reflected on the product label;  
47 and

48 (3) cannabis edible product at the rate of three cents per milligram  
49 of the amount of total THC, as reflected on the product label. This tax  
50 shall accrue at the time of such sale or transfer. Where] rate of seven  
51 percent of the amount charged for the sale or transfer of such adult-use  
52 cannabis products to such retailer; provided that where a person who  
53 distributes adult-use cannabis is licensed under the cannabis law as a  
54 microbusiness or registered organization and such person sells adult-use

1 cannabis products at retail, such person shall be liable for the tax,  
2 [and] such tax shall accrue at the time of the retail sale, and the  
3 amount subject to the tax imposed by this subdivision shall be seventy-  
4 five percent of the amount charged by such person for the sale or trans-  
5 fer of such products to a retail customer.

6 § 2. Subdivision (a) of section 496-b of the tax law, as added by  
7 chapter 92 of the laws of 2021, is amended to read as follows:

8 (a) The provisions of part four of article [twenty-seven] twenty-eight  
9 of this chapter shall apply to the taxes imposed by section four hundred  
10 ninety-three of this article in the same manner and with the same force  
11 and effect as if the language of such article had been incorporated in  
12 full into this section and had expressly referred to the tax imposed by  
13 this article, except to the extent that any provision of such article is  
14 either inconsistent with a provision of this article or is not relevant  
15 to this article.

16 § 3. This act shall take effect immediately; provided, however, that  
17 section one of this act shall apply to sales of adult-use cannabis  
18 products on or after June 1, 2024, and section two of this act shall  
19 apply to sales of adult-use cannabis products on or after December 1,  
20 2024.

21 PART M

22 Intentionally Omitted

23 PART N

24 Intentionally Omitted

25 PART O

26 Section 1. Subdivision 2 of section 509-a of the racing, pari-mutuel  
27 wagering and breeding law, as amended by section 1 of part 00 of chapter  
28 56 of the laws of 2023, is amended to read as follows:

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

39 b. Notwithstanding any other provision of law or regulation to the  
40 contrary, from April first, two thousand twenty-two to March thirty-  
41 first, two thousand twenty-three, twenty-three percent of the funds, not  
42 to exceed two and one-half million dollars, in the Catskill off-track  
43 betting corporation's capital acquisition fund established pursuant to  
44 this section, and twenty-three percent of the funds, not to exceed four  
45 hundred forty thousand dollars, in the Capital off-track betting corpo-  
46 ration's capital acquisition fund established pursuant to this section,  
47 shall be available to such off-track betting corporations for the

1 purposes of statutory obligations, payroll, and expenditures necessary  
2 to accept authorized wagers.

3 c. Notwithstanding any other provision of law or regulation to the  
4 contrary, from April first, two thousand twenty-three to March thirty-  
5 first, two thousand twenty-four, twenty-three percent of the funds, not  
6 to exceed two and one-half million dollars, in the Catskill off-track  
7 betting corporation's capital acquisition fund established pursuant to  
8 this section, and one million dollars in the Capital off-track betting  
9 corporation's capital acquisition fund established pursuant to this  
10 section, shall be available to such off-track betting corporation for  
11 the purposes of expenditures necessary to accept authorized wagers; past  
12 due statutory obligations to New York licensed or franchised racing  
13 corporations or associations; past due contractual obligations due to  
14 other racing associations or organizations for the costs of acquiring a  
15 simulcast signal; past due statutory payment obligations due to the New  
16 York state thoroughbred breeding and development fund corporation, agri-  
17 culture and New York state horse breeding development fund, and the  
18 Harry M. Zweig memorial fund for equine research; and past due obli-  
19 gations due the state.

20 d. Notwithstanding any other provision of law or regulation to the  
21 contrary, from April first, two thousand twenty-four to March thirty-  
22 first, two thousand twenty-five, three and one-half million dollars in  
23 the Catskill off-track betting corporation's capital acquisition fund  
24 established pursuant to this section, and one million dollars in the  
25 Capital off-track betting corporation's capital acquisition fund estab-  
26 lished pursuant to this section, shall be available to such off-track  
27 betting corporation for the purposes of expenditures necessary to accept  
28 authorized wagers; past due statutory obligations to New York licensed  
29 or franchised racing corporations or associations; past due contractual  
30 obligations due to other racing associations or organizations for the  
31 costs of acquiring a simulcast signal; past due statutory payment obli-  
32 gations due to the New York state thoroughbred breeding and development  
33 fund corporation, agriculture and New York state horse breeding develop-  
34 ment fund, and the Harry M. Zweig memorial fund for equine research;  
35 past due statutory payment obligations from surcharge monies pursuant to  
36 section five hundred thirty-two of this chapter; and past due obli-  
37 gations due the state.

38 e. (i) Prior to a corporation being able to utilize the funds author-  
39 ized by paragraph c or d of this subdivision, the corporation must  
40 attest that [the] future surcharge monies from section five hundred  
41 thirty-two of this chapter [are being] shall be held separate and apart  
42 from any amounts otherwise authorized to be retained from pari-mutuel  
43 pools and all surcharge monies [have been and] will continue to be paid  
44 to the localities as prescribed in law.

45 (ii) Once [this condition is] the conditions outlined in subparagraph  
46 (i) of this paragraph are satisfied, the corporation must submit an  
47 expenditure plan to the gaming commission for review. Such plan shall  
48 include the corporation's outstanding liabilities, projected revenue for  
49 the upcoming year, a detailed explanation of how the funds will be used,  
50 and any other information necessary to detail such plan as determined by  
51 the commission. [Upon review,]

52 (iii) Within thirty days of the corporation's expenditure plan  
53 submission to the commission, the commission shall review and either (1)  
54 make a determination as to whether the requirements of subparagraphs (i)  
55 and (ii) of this paragraph have been satisfied and notify the corpo-  
56 ration of expenditure plan approval[. In], or (2) in the event the

1 commission determines the requirements of subparagraphs (i) and (ii) of  
2 this paragraph have not been satisfied, the commission shall notify the  
3 corporation of all deficiencies necessary for approval. [As a condition  
4 of such expenditure plan approval,]

5 (iv) No later than the last day of the calendar year for which the  
6 funds are requested, the corporation shall provide a report to the  
7 commission [no later than October first, two thousand twenty-three,]  
8 which shall include an accounting of the use of such funds. At such  
9 time, the commission may cause an independent audit to be conducted of  
10 the corporation's books to ensure that all moneys were spent as indi-  
11 cated in such approved plan. The audit shall be paid for from money in  
12 the fund established by this section. If the audit determines that a  
13 corporation used the money authorized under this section for a purpose  
14 other than one listed in their expenditure plan, then the corporation  
15 shall reimburse the capital acquisition fund for the unauthorized  
16 amount.

17 § 2. This act shall take effect immediately.

18

## PART P

19 Section 1. Paragraph (a) of subdivision 1 of section 1003 of the  
20 racing, pari-mutuel wagering and breeding law, as amended by section 1  
21 of part BB of chapter 59 of the laws of 2023, is amended to read as  
22 follows:

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



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

23 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section  
24 1007 of the racing, pari-mutuel wagering and breeding law, as amended by  
25 section 2 of part BB of chapter 59 of the laws of 2023, is amended to  
26 read as follows:

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

39 § 3. The opening paragraph of subdivision 1 of section 1014 of the  
40 racing, pari-mutuel wagering and breeding law, as amended by section 3  
41 of part BB of chapter 59 of the laws of 2023, is amended to read as  
42 follows:

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



1 thousand eight, or one thousand nine of this article shall be authorized  
2 to accept wagers and display the live simulcast signal from thoroughbred  
3 tracks located in another state or foreign country subject to the  
4 following provisions:

5 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering  
6 and breeding law, as amended by section 4 of part BB of chapter 59 of  
7 the laws of 2023, is amended to read as follows:

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

13 § 5. The opening paragraph of subdivision 1 of section 1016 of the  
14 racing, pari-mutuel wagering and breeding law, as amended by section 5  
15 of part BB of chapter 59 of the laws of 2023, is amended to read as  
16 follows:

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

34 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel  
35 wagering and breeding law, as amended by section 6 of part BB of chapter  
36 59 of the laws of 2023, is amended to read as follows:

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

53 § 7. Section 32 of chapter 281 of the laws of 1994, amending the  
54 racing, pari-mutuel wagering and breeding law and other laws relating to  
55 simulcasting, as amended by section 7 of part BB of chapter 59 of the  
56 laws of 2023, is amended to read as follows:

1 § 32. This act shall take effect immediately and the pari-mutuel tax  
2 reductions in section six of this act shall expire and be deemed  
3 repealed on July 1, [2024] 2025; provided, however, that nothing  
4 contained herein shall be deemed to affect the application, qualifica-  
5 tion, expiration, or repeal of any provision of law amended by any  
6 section of this act, and such provisions shall be applied or qualified  
7 or shall expire or be deemed repealed in the same manner, to the same  
8 extent and on the same date as the case may be as otherwise provided by  
9 law; provided further, however, that sections twenty-three and twenty-  
10 five of this act shall remain in full force and effect only until May 1,  
11 1997 and at such time shall be deemed to be repealed.

12 § 8. Section 54 of chapter 346 of the laws of 1990, amending the  
13 racing, pari-mutuel wagering and breeding law and other laws relating to  
14 simulcasting and the imposition of certain taxes, as amended by section  
15 8 of part BB of chapter 59 of the laws of 2023, is amended to read as  
16 follows:

17 § 54. This act shall take effect immediately; provided, however,  
18 sections three through twelve of this act shall take effect on January  
19 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-  
20 ing law, as added by section thirty-eight of this act, shall expire and  
21 be deemed repealed on July 1, [2024] 2025; and section eighteen of this  
22 act shall take effect on July 1, 2008 and sections fifty-one and fifty-  
23 two of this act shall take effect as of the same date as chapter 772 of  
24 the laws of 1989 took effect.

25 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,  
26 pari-mutuel wagering and breeding law, as amended by section 9 of part  
27 BB of chapter 59 of the laws of 2023, is amended to read as follows:

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

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

1 for the privilege of conducting pari-mutuel betting on the races run at  
2 the race meetings held by such franchised corporation, the following  
3 percentages of the total pool for regular and multiple bets five percent  
4 of regular bets and four percent of multiple bets plus twenty percent of  
5 the breaks; for exotic wagers seven and one-half percent plus twenty  
6 percent of the breaks, and for super exotic bets seven and one-half  
7 percent plus fifty percent of the breaks.

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

18 § 10. This act shall take effect immediately.

19

## PART Q

20 Section 1. Paragraph (a) of subdivision 9 of section 208 of the  
21 racing, pari-mutuel wagering and breeding law, as amended by section 2  
22 of part QQ of chapter 59 of the laws of 2022, is amended to read as  
23 follows:

24 (a) The franchised corporation shall maintain a separate account for  
25 all funds held on deposit in trust by the corporation for individual  
26 horsemen's accounts. Purse funds shall be paid by the corporation as  
27 required to meet its purse payment obligations. Funds held in horsemen's  
28 accounts shall only be released or applied as requested and directed by  
29 the individual horseman. Through calendar year [two thousand twenty-  
30 five] two thousand twenty-seven the New York Jockey Injury Compensation  
31 Fund, Inc. may use up to two million dollars from the account estab-  
32 lished pursuant to this subdivision to pay the annual costs required by  
33 section two hundred twenty-one of this article.

34 § 2. The opening paragraph of subdivision 7 of section 221 of the  
35 racing, pari-mutuel wagering and breeding law, as amended by section 1  
36 of part QQ of chapter 59 of the laws of 2022, is amended to read as  
37 follows:

38 In order to pay the costs of the insurance required by this section  
39 and by the workers' compensation law and to carry out its other powers  
40 and duties and to pay for any of its liabilities under section four-  
41 teen-a of the workers' compensation law, the New York Jockey Injury  
42 Compensation Fund, Inc. shall ascertain the total funding necessary and  
43 establish the sums that are to be paid by all owners and trainers  
44 licensed or required to be licensed under section two hundred twenty of  
45 this article, to obtain the total funding amount required annually. In  
46 order to provide that any sum required to be paid by an owner or trainer  
47 is equitable, the fund shall establish payment schedules that reflect  
48 such factors as are appropriate, including where applicable, the  
49 geographic location of the racing corporation at which the owner or  
50 trainer participates, the duration of such participation, the amount of  
51 any purse earnings, the number of horses involved, or such other factors  
52 as the fund shall determine to be fair, equitable and in the best inter-  
53 ests of racing. In no event shall the amount deducted from an owner's  
54 share of purses exceed two percent; provided, however, through calendar

1 year [two thousand twenty-five] two thousand twenty-seven, the New York  
2 Jockey Injury Compensation Fund, Inc. may use up to two million dollars  
3 from the account established pursuant to subdivision nine of section two  
4 hundred eight of this article to pay the annual costs required by this  
5 section and the funds from such account shall not count against the two  
6 percent of purses deducted from an owner's share of purses. The amount  
7 deducted from an owner's share of purses shall not exceed one percent  
8 after April first, [two thousand twenty-four] two thousand twenty-seven.  
9 In the cases of multiple ownerships and limited racing appearances, the  
10 fund shall equitably adjust the sum required.

11 § 3. The opening paragraph of subdivision 2 of section 228 of the  
12 racing, pari-mutuel wagering and breeding law, as amended by chapter 198  
13 of the laws of 2023, is amended to read as follows:

14 The commission shall, as a condition of racing, require any franchised  
15 corporation and every other corporation subject to its jurisdiction to  
16 withhold one percent of all purses, except that for the franchised  
17 corporation, starting on September first, two thousand seven and contin-  
18 uing through August thirty-first, [two thousand twenty-four] two thou-  
19 sand twenty-seven, two percent of all purses shall be withheld, and, in  
20 the case of the franchised corporation, to pay such sum to the  
21 horsemen's organization or its successor that was first entitled to  
22 receive payments pursuant to this section in accordance with rules of  
23 the commission adopted effective November third, nineteen hundred eight-  
24 y-three representing at least fifty-one percent of the owners and train-  
25 ers using the facilities of such franchised corporation, on the condi-  
26 tion that such horsemen's organization shall expend as much as is  
27 necessary, but not to exceed one-half of one percent of such total sum,  
28 to acquire and maintain the equipment required to establish a program at  
29 a state college within this state with an approved equine science  
30 program to test for the presence of steroids in horses, provided further  
31 that the qualified organization shall also, in an amount to be deter-  
32 mined by its board of directors, annually include in its expenditures  
33 for benevolence programs, funds to support an organization providing  
34 services necessary to backstretch employees, and, in the case of every  
35 other corporation, to pay such one percent sum of purses to the  
36 horsemen's organization or its successor that was first entitled to  
37 receive payments pursuant to this section in accordance with rules of  
38 the commission adopted effective May twenty-third, nineteen hundred  
39 eighty-six representing at least fifty-one percent of the owners and  
40 trainers using the facilities of such corporation.

41 § 4. This act shall take effect immediately.

42

#### PART R

43 Section 1. The racing, pari-mutuel wagering and breeding law is  
44 amended by adding a new section 902-a to read as follows:

45 § 902-a. Equine screening and advanced imaging expenses. 1. In order  
46 to assure the public's confidence and continue the high degree of integ-  
47 riety in racing at the pari-mutuel betting tracks, clinical services  
48 related to screening and advanced imaging shall be conducted by a land  
49 grant university within this state at a location proximate to a race-  
50 track owned by the state.

51 2. Notwithstanding any inconsistent provision of law, the land grant  
52 university's costs of (a) obtaining the necessary equipment shall be  
53 off-set by a one-time grant of two million dollars made by the fran-  
54 chised corporation to the applicable land grant university; and (b)



1 operating such preventive screening and advanced imaging services shall  
2 be off-set by an assessment collected by the commission pursuant to  
3 subdivision seven of section one thousand twelve-a of this chapter, and  
4 distributed by the commission to such land grant university. The commis-  
5 sion shall determine the distribution schedule of such assessments to  
6 the land grant university outlined in paragraph (b) of this subdivision,  
7 provided that such distributions occur in a reasonable amount of time  
8 subsequent to the commission collecting such assessments.

9 3. In consideration of the state and industry support provided for the  
10 screening and advanced imaging services to the land grant university:  
11 (a) the clinical services shall be provided for the benefit of New York  
12 horsemen at reasonable costs; and (b) any data or educational material  
13 generated from such program shall be shared with the commission and any  
14 entity licensed or franchised pursuant to article one or two of this  
15 chapter.

16 § 2. Subdivision 6 of section 1012-a of the racing, pari-mutuel wager-  
17 ing and breeding law, as amended by chapter 243 of the laws of 2020, is  
18 amended and a new subdivision 7 is added to read as follows:

19 6. multi-jurisdictional account wagering providers shall pay a market  
20 origin fee equal to five percent on each wager accepted from New York  
21 residents. Multi-jurisdictional account wagering providers shall make  
22 the required payments to the market origin account on or before the  
23 fifth business day of each month and such required payments shall cover  
24 payments due for the period of the preceding calendar month; provided,  
25 however, that such payments required to be made on April fifteenth shall  
26 be accompanied by a report under oath, showing the total of all such  
27 payments, together with such other information as the commission may  
28 require. A penalty of five percent and interest at the rate of one  
29 percent per month from the date the report is required to be filed to  
30 the date the payment shall be payable in case any payments required by  
31 this subdivision are not paid when due. If the commission determines  
32 that any moneys received under this subdivision were paid in error, the  
33 commission may cause the same to be refunded without interest out of any  
34 moneys collected thereunder, provided an application therefor is filed  
35 with the commission within one year from the time the erroneous payment  
36 was made. The commission shall pay into the racing regulation account,  
37 under the joint custody of the comptroller and the commission, the total  
38 amount of the fee collected pursuant to this section[.]; and

39 7. any multi-jurisdictional account wagering providers that are not  
40 controlled by an entity otherwise licensed or franchised in this state  
41 to conduct pari-mutuel wagering pursuant to article two or three of this  
42 chapter through which New York residents have wagered an aggregate  
43 amount of at least fifteen million dollars in every month of calendar  
44 year two thousand twenty-three shall pay an additional assessment of  
45 0.03% not to exceed one million dollars in calendar year two thousand  
46 twenty-four, and 0.05% not to exceed one million seven hundred fifty  
47 thousand dollars in calendar years two thousand twenty-five through two  
48 thousand twenty-nine, which shall be distributed pursuant to section  
49 nine hundred two-a of this chapter. This assessment shall continue only  
50 as long as necessary to fund the operations of the screening and  
51 advanced imaging clinical services described in such section.

52 § 3. Subdivision 8 of section 212 of the racing, pari-mutuel wagering  
53 and breeding law is amended by adding a new paragraph c to read as  
54 follows:

55 c. Notwithstanding any other provision of this article, the franchised  
56 corporation shall be entitled to make a grant for the purposes of or

1 otherwise make capital expenditures to purchase screening and advanced  
 2 imaging equipment consistent with section nine hundred two of this chap-  
 3 ter.

4 § 4. This act shall take effect immediately and shall be in full force  
 5 and effect as of April 1, 2024; provided, however, that sections one and  
 6 two of this act shall expire on March 31, 2029.

7 PART S

8 Section 1. The opening paragraph of paragraph (a) of subdivision 1 of  
 9 section 210 of the tax law, as amended by section 1 of subpart A of part  
 10 I of chapter 59 of the laws of 2023, is amended to read as follows:

11 For taxable years beginning before January first, two thousand  
 12 sixteen, the amount prescribed by this paragraph shall be computed at  
 13 the rate of seven and one-tenth percent of the taxpayer's business  
 14 income base. For taxable years beginning on or after January first, two  
 15 thousand sixteen, the amount prescribed by this paragraph shall be six  
 16 and one-half percent of the taxpayer's business income base. For taxable  
 17 years beginning on or after January first, two thousand twenty-one and  
 18 before January first, two thousand [twenty-seven] twenty-four for any  
 19 taxpayer with a business income base for the taxable year of more than  
 20 five million dollars, the amount prescribed by this paragraph shall be  
 21 seven and one-quarter percent of the taxpayer's business income base.  
 22 For taxable years beginning on or after January first, two thousand  
 23 twenty-four and before January first, two thousand twenty-seven for any  
 24 taxpayer with a business income base for the taxable year of more than  
 25 five million dollars, the amount prescribed by this paragraph shall be  
 26 nine percent of the taxpayer's business income. The taxpayer's business  
 27 income base shall mean the portion of the taxpayer's business income  
 28 apportioned within the state as hereinafter provided. However, in the  
 29 case of a small business taxpayer, as defined in paragraph (f) of this  
 30 subdivision, the amount prescribed by this paragraph shall be computed  
 31 pursuant to subparagraph (iv) of this paragraph and in the case of a  
 32 manufacturer, as defined in subparagraph (vi) of this paragraph, the  
 33 amount prescribed by this paragraph shall be computed pursuant to  
 34 subparagraph (vi) of this paragraph, and, in the case of a qualified  
 35 emerging technology company, as defined in subparagraph (vii) of this  
 36 paragraph, the amount prescribed by this paragraph shall be computed  
 37 pursuant to subparagraph (vii) of this paragraph.

38 § 2. This act shall take effect immediately and shall apply to taxable  
 39 years beginning on or after January 1, 2024.

40 PART T

41 Section 1. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1  
 42 of subsection (a) of section 601 of the tax law, as amended by section 1  
 43 of subpart A of part A of chapter 59 of the laws of 2022, are amended to  
 44 read as follows:

45 (vi) For taxable years beginning in two thousand twenty-three [and  
 46 before two thousand twenty-eight] the following rates shall apply:  
 47 If the New York taxable income is: The tax is:  
 48 Not over \$17,150 4% of the New York taxable income  
 49 Over \$17,150 but not over \$23,600 \$686 plus 4.5% of excess over  
 50 \$17,150  
 51 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of excess over

1		\$23,600
2	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
3		\$27,900
4	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess over
5		\$161,550
6	Over \$323,200 but not over	\$18,252 plus 6.85% of excess over
7	\$2,155,350	\$323,200
8	Over \$2,155,350 but not over	\$143,754 plus 9.65% of excess over
9	\$5,000,000	\$2,155,350
10	Over \$5,000,000 but not over	\$418,263 plus 10.30%
11	\$25,000,000	of excess over \$5,000,000
12	Over \$25,000,000	\$2,478,263 plus
13		10.90% of excess over
14		\$25,000,000

15 (vii) For taxable years beginning in two thousand twenty-four and  
 16 before two thousand twenty-eight the following rates shall apply:

17	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
18	<u>Not over \$17,150</u>	<u>4% of the New York taxable income</u>
19	<u>Over \$17,150 but not over \$23,600</u>	<u>\$686 plus 4.5% of excess over</u>
20		<u>\$17,150</u>
21	<u>Over \$23,600 but not over \$27,900</u>	<u>\$976 plus 5.25% of excess over</u>
22		<u>\$23,600</u>
23	<u>Over \$27,900 but not over \$161,550</u>	<u>\$1,202 plus 5.5% of excess over</u>
24		<u>\$27,900</u>
25	<u>Over \$161,550 but not over \$323,200</u>	<u>\$8,553 plus 6.00% of excess over</u>
26		<u>\$161,550</u>
27	<u>Over \$323,200 but not over \$2,155,350</u>	<u>\$18,252 plus 6.85% of excess over</u>
28		<u>\$323,200</u>
29	<u>Over \$2,155,350 but not over</u>	<u>\$143,754 plus 9.65% of excess over</u>
30	<u>\$5,000,000</u>	<u>\$2,155,350</u>
31	<u>Over \$5,000,000 but not over</u>	<u>\$418,263 plus 10.80% of excess over</u>
32	<u>\$25,000,000</u>	<u>\$5,000,000</u>
33	<u>Over \$25,000,000</u>	<u>\$2,578,663 plus 11.40% of excess</u>
34		<u>over \$25,000,000</u>

35 (viii) For taxable years beginning after two thousand twenty-seven the  
 36 following rates shall apply:

37	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
38	<u>Not over \$17,150</u>	<u>4% of the New York taxable income</u>
39	<u>Over \$17,150 but not over \$23,600</u>	<u>\$686 plus 4.5% of excess over</u>
40		<u>\$17,150</u>
41	<u>Over \$23,600 but not over \$27,900</u>	<u>\$976 plus 5.25% of excess over</u>
42		<u>\$23,600</u>
43	<u>Over \$27,900 but not over \$161,550</u>	<u>\$1,202 plus 5.5% of excess over</u>
44		<u>\$27,900</u>
45	<u>Over \$161,550 but not over \$323,200</u>	<u>\$8,553 plus 6.00% of excess</u>
46		<u>over \$161,550</u>
47	<u>Over \$323,200 but not over</u>	<u>\$18,252 plus 6.85% of excess</u>
48	<u>\$2,155,350</u>	<u>over \$323,200</u>
49	<u>Over \$2,155,350</u>	<u>\$143,754 plus 8.82% of excess</u>
50		<u>over \$2,155,350</u>

51 § 2. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of  
 52 subsection (b) of section 601 of the tax law, as amended by section 2 of

1 subpart A of part A of chapter 59 of the laws of 2022, are amended to  
2 read as follows:

3 (vi) For taxable years beginning in two thousand twenty-three [and  
4 before two thousand twenty-eight] the following rates shall apply:

5 If the New York taxable income is:	The tax is:
6 Not over \$12,800	4% of the New York taxable income
7 Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over 8 \$12,800
9 Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over 10 \$17,650
11 Over \$20,900 but not over \$107,650	\$901 plus 5.5% of excess over 12 \$20,900
13 Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over 14 \$107,650
15 Over \$269,300 but not over 16 \$1,616,450	\$15,371 plus 6.85% of excess over 17 \$269,300
17 Over \$1,616,450 but not over 18 \$5,000,000	\$107,651 plus 9.65% of excess over 19 \$1,616,450
19 Over \$5,000,000 but not over 20 \$25,000,000	\$434,163 plus 10.30% 21 of excess over \$5,000,000
21 Over \$25,000,000	\$2,494,163 plus 22 10.90% of excess over 23 \$25,000,000

24 (vii) For taxable years beginning in two thousand twenty-four and  
25 before two thousand twenty-eight the following rates shall apply:

26 <u>If the New York taxable income is:</u>	<u>The tax is:</u>
27 <u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
28 <u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over</u> 29 <u>\$12,800</u>
30 <u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over</u> 31 <u>\$17,650</u>
32 <u>Over \$20,900 but not over \$107,650</u>	<u>\$901 plus 5.5% of excess over</u> 33 <u>\$20,900</u>
34 <u>Over \$107,650 but not over \$269,300</u>	<u>\$5,672 plus 6.00% of excess over</u> 35 <u>\$107,650</u>
36 <u>Over \$269,300 but not over \$1,616,450</u>	<u>\$15,371 plus 6.85% of excess</u> 37 <u>over \$269,300</u>
38 <u>Over \$1,616,450 but not over</u> 39 <u>\$5,000,000</u>	<u>\$107,651 plus 9.65% of excess</u> 40 <u>over \$1,616,450</u>
40 <u>Over \$5,000,000 but not over</u> 41 <u>\$25,000,000</u>	<u>\$434,163 plus 10.80% of excess</u> 42 <u>over \$5,000,000</u>
42 <u>Over \$25,000,000</u>	<u>\$2,594,163 plus 11.40% of excess</u> 43 <u>over \$25,000,000</u>

44 (viii) For taxable years beginning after two thousand twenty-seven the  
45 following rates shall apply:

46 If the New York taxable income is:	The tax is:
47 Not over \$12,800	4% of the New York taxable income
48 Over \$12,800 but not over 49 \$17,650	\$512 plus 4.5% of excess over \$12,800
50 Over \$17,650 but not over 51 \$20,900	\$730 plus 5.25% of excess over \$17,650
52 Over \$20,900 but not over 53 \$107,650	\$901 plus 5.5% of excess over \$20,900



1	Over \$107,650 but not over	\$5,672 plus 6.00% of excess
2	\$269,300	over \$107,650
3	Over \$269,300 but not over	\$15,371 plus 6.85% of excess
4	\$1,616,450	over \$269,300
5	Over \$1,616,450	\$107,651 plus 8.82% of excess
6		over \$1,616,450

7 § 3. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of  
 8 subsection (c) of section 601 of the tax law, as amended by section 3 of  
 9 subpart A of part A of chapter 59 of the laws of 2022, are amended to  
 10 read as follows:

11 (vi) For taxable years beginning in two thousand twenty-three [and  
 12 before two thousand twenty-eight] the following rates shall apply:

13	If the New York taxable income is:	The tax is:
14	Not over \$8,500	4% of the New York taxable income
15	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
16		\$8,500
17	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
18		\$11,700
19	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
20		\$13,900
21	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess over
22		\$80,650
23	Over \$215,400 but not over	\$12,356 plus 6.85% of excess over
24	\$1,077,550	\$215,400
25	Over \$1,077,550 but not over	\$71,413 plus 9.65% of excess over
26	\$5,000,000	\$1,077,550
27	Over \$5,000,000 but not over	\$449,929 plus 10.30%
28	\$25,000,000	of excess over \$5,000,000
29	Over \$25,000,000	\$2,509,929 plus 10.90% of excess
30		over \$25,000,000

31 (vii) For taxable years beginning in two thousand twenty-four and  
 32 before two thousand twenty-eight the following rates shall apply:

33	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
34	<u>Not over \$8,500</u>	<u>4% of the New York taxable income</u>
35	<u>Over \$8,500 but not over \$11,700</u>	<u>\$340 plus 4.5% of excess over</u>
36		<u>\$8,500</u>
37	<u>Over \$11,700 but not over \$13,900</u>	<u>\$484 plus 5.25% of excess over</u>
38		<u>\$11,700</u>
39	<u>Over \$13,900 but not over \$80,650</u>	<u>\$600 plus 5.50% of excess over</u>
40		<u>\$13,900</u>
41	<u>Over \$80,650 but not over \$215,400</u>	<u>\$4,271 plus 6.00% of excess over</u>
42		<u>\$80,650</u>
43	<u>Over \$215,400 but not over \$1,077,550</u>	<u>\$12,356 plus 6.85% of excess</u>
44		<u>over \$215,400</u>
45	<u>Over \$1,077,550 but not over</u>	<u>\$71,413 plus 9.65% of excess</u>
46	<u>\$5,000,000</u>	<u>over \$1,077,550</u>
47	<u>Over \$5,000,000 but not over</u>	<u>\$449,929 plus 10.80% of excess</u>
48	<u>\$25,000,000</u>	<u>over \$5,000,000</u>
49	<u>Over \$25,000,000</u>	<u>\$2,609,929 plus 11.40% of excess</u>
50		<u>over \$25,000,000</u>

51 (viii) For taxable years beginning after two thousand twenty-seven the  
 52 following rates shall apply:

1	If the New York taxable income is:	The tax is:
2	Not over \$8,500	4% of the New York taxable income
3	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
4		\$8,500
5	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
6		\$11,700
7	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
8		\$13,900
9	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess
10		over \$80,650
11	Over \$215,400 but not over	\$12,356 plus 6.85% of excess
12	\$1,077,550	over \$215,400
13	Over \$1,077,550	\$71,413 plus 8.82% of excess
14		over \$1,077,550

15 § 4. Subsection (d-4) of section 601 of the tax law, as added by  
 16 section 3 of subpart B of part A of chapter 59 of the laws of 2022, is  
 17 amended and a new subsection (d-5) is added to read as follows:

18 (d-4) Alternative tax table benefit recapture. Notwithstanding the  
 19 provisions of subsection (d), (d-1), (d-2) or (d-3) of this section, for  
 20 taxable years beginning on or after two thousand twenty-three [and  
 21 before two thousand twenty-eight], there is hereby imposed a supple-  
 22 mental tax in addition to the tax imposed under subsections (a), (b) and  
 23 (c) of this section for the purpose of recapturing the benefit of the  
 24 tax tables contained in such subsections. During these taxable years,  
 25 any reference in this chapter to subsection (d), (d-1), (d-2) or (d-3)  
 26 of this section shall be read as a reference to this subsection.

27 (1) For resident married individuals filing joint returns and resident  
 28 surviving spouses:

29 (A) If New York adjusted gross income is greater than \$107,650, but  
 30 not over \$25,000,000:

31 (i) the recapture base and incremental benefit shall be determined by  
 32 New York taxable income as follows:

33 Greater than	Not over	Recapture Base	Incremental Benefit
34 \$27,900	\$161,550	\$0	\$333
35 \$161,550	\$323,200	\$333	\$807
36 \$323,200	\$2,155,350	\$1,140	\$2,747
37 \$2,155,350	\$5,000,000	\$3,887	\$60,350
38 \$5,000,000	\$25,000,000	\$64,237	\$32,500

39 (ii) the applicable amount shall be determined by New York taxable  
 40 income as follows:

41 Greater than	Not over	Applicable Amount
42 \$27,900	\$161,550	New York adjusted gross income minus \$107,650
43 \$161,550	\$323,200	New York adjusted gross income minus \$161,550
44 \$323,200	\$2,155,350	New York adjusted gross income minus \$323,200
45 \$2,155,350	\$5,000,000	New York adjusted gross income minus \$2,155,350
46 \$5,000,000	\$25,000,000	New York adjusted gross income minus \$5,000,000

47 (iii) the phase-in fraction shall be a fraction, the numerator of  
 48 which shall be the lesser of fifty thousand dollars or the applicable  
 49 amount and the denominator of which shall be fifty thousand dollars; and

50 (iv) the supplemental tax due shall equal the sum of the recapture  
 51 base and the product of (i) the incremental benefit and (ii) the phase-  
 52 in fraction. Provided, however, that if the New York taxable income of  
 53 the taxpayer is less than twenty-seven thousand nine hundred dollars,

1 the supplemental tax shall equal the difference between the product of  
 2 5.50 percent and New York taxable income and the tax table computation  
 3 on the New York taxable income set forth in paragraph one of subsection  
 4 (a) of this section, multiplied by a fraction, the numerator of which is  
 5 the lesser of fifty thousand dollars or New York adjusted gross income  
 6 minus one hundred seven thousand six hundred fifty dollars, and the  
 7 denominator of which is fifty thousand dollars.

8 (B) If New York adjusted gross income is greater than twenty-five  
 9 million dollars, the supplemental tax due shall equal the difference  
 10 between the product of 10.90 percent and New York taxable income and the  
 11 tax table computation on the New York taxable income set forth in para-  
 12 graph one of subsection (a) of this section.

13 (2) For resident heads of households:

14 (A) If New York adjusted gross income is greater than \$107,650, but  
 15 not over \$25,000,000:

16 (i) the recapture base and incremental benefit shall be determined by  
 17 New York taxable income as follows:

18 Greater than	Not over	Recapture Base	Incremental Benefit
19 \$107,650	\$269,300	\$0	\$787
20 \$269,300	\$1,616,450	\$787	\$2,289
21 \$1,616,450	\$5,000,000	\$3,076	\$45,261
22 \$5,000,000	\$25,000,000	\$48,337	\$32,500

23 (ii) the applicable amount shall be determined by New York taxable  
 24 income as follows:

25 Greater than	Not over	Applicable Amount
26 \$107,650	\$269,300	New York adjusted gross income minus \$107,650
27 \$269,300	\$1,616,450	New York adjusted gross income minus \$269,300
28 \$1,616,450	\$5,000,000	New York adjusted gross income minus \$1,616,450
29 \$5,000,000	\$25,000,000	New York adjusted gross income minus \$5,000,000

30 (iii) the phase-in fraction shall be a fraction, the numerator of  
 31 which shall be the lesser of fifty thousand dollars or the applicable  
 32 amount and the denominator of which shall be fifty thousand dollars; and

33 (iv) the supplemental tax due shall equal the sum of the recapture  
 34 base and the product of (i) the incremental benefit and (ii) the phase-  
 35 in fraction. Provided, however, that if the New York taxable income of  
 36 the taxpayer is less than one hundred seven thousand six hundred fifty  
 37 dollars, the supplemental tax shall equal the difference between the  
 38 product of 6.00 percent and New York taxable income and the tax table  
 39 computation on the New York taxable income set forth in paragraph one of  
 40 subsection (b) of this section, multiplied by a fraction, the numerator  
 41 of which is the lesser of fifty thousand dollars or New York adjusted  
 42 gross income minus one hundred seven thousand six hundred fifty dollars,  
 43 and the denominator of which is fifty thousand dollars.

44 (B) If New York adjusted gross income is greater than twenty-five  
 45 million dollars, the supplemental tax due shall equal the difference  
 46 between the product of 10.90 percent and New York taxable income and the  
 47 tax table computation on the New York taxable income set forth in para-  
 48 graph one of subsection (b) of this section.

49 (3) For resident unmarried individuals, resident married individuals  
 50 filing separate returns and resident estates and trusts:

51 (A) If New York adjusted gross income is greater than \$107,650, but  
 52 not over \$25,000,000:

53 (i) the recapture base and incremental benefit shall be determined by  
 54 New York taxable income as follows:

55 Greater than	Not over	Recapture Base	Incremental Benefit
56 \$80,650	\$215,400	\$0	\$568

1	\$215,400	\$1,077,550	\$568	\$1,831
2	\$1,077,550	\$5,000,000	\$2,399	\$30,172
3	\$5,000,000	\$25,000,000	\$32,571	\$32,500

4 (ii) the applicable amount shall be determined by New York taxable  
5 income as follows:

6	Greater than	Not over	Applicable Amount	
7	\$80,650	\$215,400	New York adjusted gross income minus	\$107,650
8	\$215,400	\$1,077,550	New York adjusted gross income minus	\$215,400
9	\$1,077,550	\$5,000,000	New York adjusted gross income minus	\$1,077,550
10	\$5,000,000	\$25,000,000	New York adjusted gross income minus	\$5,000,000

11 (iii) the phase-in fraction shall be a fraction, the numerator of  
12 which shall be the lesser of fifty thousand dollars or the applicable  
13 amount and the denominator of which shall be fifty thousand dollars; and

14 (iv) the supplemental tax due shall equal the sum of the recapture  
15 base and the product of (i) the incremental benefit and (ii) the phase-  
16 in fraction. Provided, however, that if the New York taxable income of  
17 the taxpayer is less than eighty thousand six hundred fifty dollars, the  
18 supplemental tax shall equal the difference between the product of 6.00  
19 percent and New York taxable income and the tax table computation on the  
20 New York taxable income set forth in paragraph one of subsection (c) of  
21 this section, multiplied by a fraction, the numerator of which is the  
22 lesser of fifty thousand dollars or New York adjusted gross income minus  
23 one hundred seven thousand six hundred fifty dollars, and the denomina-  
24 tor of which is fifty thousand dollars.

25 (B) If New York adjusted gross income is greater than twenty-five  
26 million dollars, the supplemental tax due shall equal the difference  
27 between the product of 10.90 percent and New York taxable income and the  
28 tax table computation on the New York taxable income set forth in para-  
29 graph one of subsection (c) of this section.

30 (d-5) Alternative tax table benefit recapture. Notwithstanding the  
31 provisions of subsection (d), (d-1), (d-2), (d-3) or (d-4) of this  
32 section, for taxable years beginning on or after two thousand twenty-  
33 four and before two thousand twenty-eight, there is hereby imposed a  
34 supplemental tax in addition to the tax imposed under subsections (a),  
35 (b) and (c) of this section for the purpose of recapturing the benefit  
36 of the tax tables contained in such subsections. During these taxable  
37 years, any reference in this chapter to subsection (d), (d-1), (d-2),  
38 (d-3) or (d-4) of this section shall be read as a reference to this  
39 subsection.

40 (1) For resident married individuals filing joint returns and resident  
41 surviving spouses:

42 (A) If New York adjusted gross income is greater than \$107,650, but  
43 not over \$25,000,000:

44 (i) the recapture base and incremental benefit shall be determined by  
45 New York taxable income as follows:

46	<u>Greater than</u>	<u>Not over</u>	<u>Recapture Base</u>	<u>Incremental Benefit</u>
47	<u>\$27,900</u>	<u>\$161,550</u>	<u>\$0</u>	<u>\$333</u>
48	<u>\$161,550</u>	<u>\$323,200</u>	<u>\$333</u>	<u>\$807</u>
49	<u>\$323,200</u>	<u>\$2,155,350</u>	<u>\$1,140</u>	<u>\$2,747</u>
50	<u>\$2,155,350</u>	<u>\$5,000,000</u>	<u>\$3,887</u>	<u>\$60,350</u>
51	<u>\$5,000,000</u>	<u>\$25,000,000</u>	<u>\$64,237</u>	<u>\$57,500</u>

52 (ii) the applicable amount shall be determined by New York taxable  
53 income as follows:

54	<u>Greater than</u>	<u>Not over</u>	<u>Applicable Amount</u>
55	<u>\$27,900</u>	<u>\$161,550</u>	<u>New York adjusted gross income minus \$107,650</u>
56	<u>\$161,550</u>	<u>\$323,200</u>	<u>New York adjusted gross income minus \$161,550</u>

1 \$323,200      \$2,155,350    New York adjusted gross income minus \$323,200  
 2 \$2,155,350      \$5,000,000    New York adjusted gross income minus \$2,155,350  
 3 \$5,000,000      \$25,000,000   New York adjusted gross income minus \$5,000,000

4    (iii) the phase-in fraction shall be a fraction, the numerator of  
 5 which shall be the lesser of fifty thousand dollars or the applicable  
 6 amount and the denominator of which shall be fifty thousand dollars; and

7    (iv) the supplemental tax due shall equal the sum of the recapture  
 8 base and the product of (i) the incremental benefit and (ii) the phase-  
 9 in fraction. Provided, however, that if the New York taxable income of  
 10 the taxpayer is less than twenty-seven thousand nine hundred dollars,  
 11 the supplemental tax shall equal the difference between the product of  
 12 5.50 percent and New York taxable income and the tax table computation  
 13 on the New York taxable income set forth in paragraph one of subsection  
 14 (a) of this section, multiplied by a fraction, the numerator of which is  
 15 the lesser of fifty thousand dollars or New York adjusted gross income  
 16 minus one hundred seven thousand six hundred fifty dollars, and the  
 17 denominator of which is fifty thousand dollars.

18    (B) If New York adjusted gross income is greater than twenty-five  
 19 million dollars, the supplemental tax due shall equal the difference  
 20 between the product of 11.40 percent and New York taxable income and the  
 21 tax table computation on the New York taxable income set forth in para-  
 22 graph one of subsection (a) of this section.

23    (2) For resident heads of households:

24    (A) If New York adjusted gross income is greater than \$107,650, but  
 25 not over \$25,000,000:

26    (i) the recapture base and incremental benefit shall be determined by  
 27 New York taxable income as follows:

<u>Greater than</u>	<u>Not over</u>	<u>Recapture Base</u>	<u>Incremental Benefit</u>
28 <u>\$107,650</u>	<u>\$269,300</u>	<u>\$0</u>	<u>\$787</u>
29 <u>\$269,300</u>	<u>\$1,616,450</u>	<u>\$787</u>	<u>\$2,289</u>
30 <u>\$1,616,450</u>	<u>\$5,000,000</u>	<u>\$3,076</u>	<u>\$45,261</u>
31 <u>\$5,000,000</u>	<u>\$25,000,000</u>	<u>\$48,337</u>	<u>\$57,500</u>

32    (ii) the applicable amount shall be determined by New York taxable  
 33 income as follows:

<u>Greater than</u>	<u>Not over</u>	<u>Applicable Amount</u>
34 <u>\$107,650</u>	<u>\$269,300</u>	<u>New York adjusted gross income minus \$107,650</u>
35 <u>\$269,300</u>	<u>\$1,616,450</u>	<u>New York adjusted gross income minus \$269,300</u>
36 <u>\$1,616,450</u>	<u>\$5,000,000</u>	<u>New York adjusted gross income minus \$1,616,450</u>
37 <u>\$5,000,000</u>	<u>\$25,000,000</u>	<u>New York adjusted gross income minus \$5,000,000</u>

38    (iii) the phase-in fraction shall be a fraction, the numerator of  
 39 which shall be the lesser of fifty thousand dollars or the applicable  
 40 amount and the denominator of which shall be fifty thousand dollars; and

41    (iv) the supplemental tax due shall equal the sum of the recapture  
 42 base and the product of (i) the incremental benefit and (ii) the phase-  
 43 in fraction. Provided, however, that if the New York taxable income of  
 44 the taxpayer is less than one hundred seven thousand six hundred fifty  
 45 dollars, the supplemental tax shall equal the difference between the  
 46 product of 6.00 percent and New York taxable income and the tax table  
 47 computation on the New York taxable income set forth in paragraph one of  
 48 subsection (b) of this section, multiplied by a fraction, the numerator  
 49 of which is the lesser of fifty thousand dollars or New York adjusted  
 50 gross income minus one hundred seven thousand six hundred fifty dollars,  
 51 and the denominator of which is fifty thousand dollars.

52    (B) If New York adjusted gross income is greater than twenty-five  
 53 million dollars, the supplemental tax due shall equal the difference  
 54 between the product of 11.40 percent and New York taxable income and the  
 55 product of 11.40 percent and New York taxable income and the  
 56 product of 11.40 percent and New York taxable income and the

1 tax table computation on the New York taxable income set forth in para-  
 2 graph one of subsection (b) of this section.

3 (3) For resident unmarried individuals, resident married individuals  
 4 filing separate returns and resident estates and trusts:

5 (A) If New York adjusted gross income is greater than \$107,650, but  
 6 not over \$25,000,000:

7 (i) the recapture base and incremental benefit shall be determined by  
 8 New York taxable income as follows:

<u>Greater than</u>	<u>Not over</u>	<u>Recapture Base</u>	<u>Incremental Benefit</u>
9 \$80,650	\$215,400	\$0	\$568
10 \$215,400	\$1,077,550	\$568	\$1,831
11 \$1,077,550	\$5,000,000	\$2,399	\$30,172
12 \$5,000,000	\$25,000,000	\$32,571	\$57,500

14 (ii) the applicable amount shall be determined by New York taxable  
 15 income as follows:

<u>Greater than</u>	<u>Not over</u>	<u>Applicable Amount</u>
16 \$80,650	\$215,400	<u>New York adjusted gross income minus \$107,650</u>
17 \$215,400	\$1,077,550	<u>New York adjusted gross income minus \$215,400</u>
18 \$1,077,550	\$5,000,000	<u>New York adjusted gross income minus</u> 19 <u>\$1,077,550</u>
20 \$5,000,000	\$25,000,000	<u>New York adjusted gross income minus</u> 21 <u>\$5,000,000</u>

23 (iii) the phase-in fraction shall be a fraction, the numerator of  
 24 which shall be the lesser of fifty thousand dollars or the applicable  
 25 amount and the denominator of which shall be fifty thousand dollars; and

26 (iv) the supplemental tax due shall equal the sum of the recapture  
 27 base and the product of (i) the incremental benefit and (ii) the phase-  
 28 in fraction. Provided, however, that if the New York taxable income of  
 29 the taxpayer is less than eighty thousand six hundred fifty dollars, the  
 30 supplemental tax shall equal the difference between the product of 6.00  
 31 percent and New York taxable income and the tax table computation on the  
 32 New York taxable income set forth in paragraph one of subsection (c) of  
 33 this section, multiplied by a fraction, the numerator of which is the  
 34 lesser of fifty thousand dollars or New York adjusted gross income minus  
 35 one hundred seven thousand six hundred fifty dollars, and the denomina-  
 36 tor of which is fifty thousand dollars.

37 (B) If New York adjusted gross income is greater than twenty-five  
 38 million dollars, the supplemental tax due shall equal the difference  
 39 between the product of 11.40 percent and New York taxable income and the  
 40 tax table computation on the New York taxable income set forth in para-  
 41 graph one of subsection (c) of this section.

42 § 5. Notwithstanding any provision of law to the contrary, the method  
 43 of determining the amount to be deducted and withheld from wages on  
 44 account of taxes imposed by or pursuant to the authority of article 22  
 45 of the tax law in connection with the implementation of the provisions  
 46 of this act shall be prescribed by regulations of the commissioner of  
 47 taxation and finance with due consideration to the effect such withhold-  
 48 ing tables and methods would have on the receipt and amount of revenue.  
 49 The commissioner of taxation and finance shall adjust such withholding  
 50 tables and methods in regard to taxable years beginning in 2024 and  
 51 after in such manner as to result, so far as practicable, in withholding  
 52 from an employee's wages an amount substantially equivalent to the tax  
 53 reasonably estimated to be due for such taxable years as a result of the  
 54 provisions of this act. Any such regulations to implement a change in  
 55 withholding tables and methods for tax year 2024 shall be adopted and

1 effective as soon as practicable and the commissioner of taxation and  
 2 finance may adopt such regulations on an emergency basis notwithstanding  
 3 anything to the contrary in section 202 of the state administrative  
 4 procedure act.

5 § 6. This act shall take effect immediately and shall apply to taxable  
 6 years beginning on and after January 1, 2024.

7 PART U

8 Section 1. Paragraph 1 of subsection (d) of section 606 of the tax  
 9 law, as amended by section 1 of part Q of chapter 63 of the laws of  
 10 2000, is amended to read as follows:

11 (1) General. (A) (i) A taxpayer shall be allowed a credit as provided  
 12 herein equal to [(i)] the applicable percentage of the earned income  
 13 credit allowed under section thirty-two of the internal revenue code for  
 14 the same taxable year, provided, however, for New York state purposes  
 15 beginning with the two thousand twenty-four taxable year, and for each  
 16 taxable year thereafter, the phaseout percentage as defined in section  
 17 32(b)(1) of the internal revenue code shall be determined as follows:

18 <u>In the case of an eligible</u>	<u>The phaseout percentage is:</u>
19 <u>individual with:</u>	
20 <u>One qualifying child</u>	<u>11.98</u>
21 <u>Two qualifying children</u>	<u>15.06</u>
22 <u>Three or more qualifying children</u>	<u>15.06</u>
23 <u>No qualifying children</u>	<u>7.65</u>

24 (ii) The credit under clause (i) of this subparagraph shall be reduced  
 25 by the credit permitted under subsection (b) of this section.

26 (B) The applicable percentage shall be (i) seven and one-half percent  
 27 for taxable years beginning in nineteen hundred ninety-four, (ii) ten  
 28 percent for taxable years beginning in nineteen hundred ninety-five,  
 29 (iii) twenty percent for taxable years beginning after nineteen hundred  
 30 ninety-five and before two thousand, (iv) twenty-two and one-half  
 31 percent for taxable years beginning in two thousand, (v) twenty-five  
 32 percent for taxable years beginning in two thousand one, (vi) twenty-  
 33 seven and one-half percent for taxable years beginning in two thousand  
 34 two, and (vii) thirty percent for taxable years beginning in two thou-  
 35 sand three and thereafter. Provided, however, that if the reversion  
 36 event, as defined in this paragraph, occurs, the applicable percentage  
 37 shall be twenty percent for taxable years ending on or after the date on  
 38 which the reversion event occurred. The reversion event shall be deemed  
 39 to have occurred on the date on which federal action, including but not  
 40 limited to, administrative, statutory or regulatory changes, materially  
 41 reduces or eliminates New York state's allocation of the federal tempo-  
 42 rary assistance for needy families block grant, or materially reduces  
 43 the ability of the state to spend federal temporary assistance for needy  
 44 families block grant funds for the earned income credit or to apply  
 45 state general fund spending on the earned income credit toward the  
 46 temporary assistance for needy families block grant maintenance of  
 47 effort requirement, and the commissioner of the office of temporary and  
 48 disability assistance shall certify the date of such event to the  
 49 commissioner of taxation and finance, the director of the division of  
 50 the budget, the speaker of the assembly and the temporary president of  
 51 the senate.

1 § 2. This act shall take effect immediately and shall apply to taxable  
2 years beginning on and after January 1, 2024.

3

## PART V

4 Section 1. Subsection (d) of section 606 of the tax law is amended by  
5 adding a new paragraph 9 to read as follows:

6 (9) Notwithstanding any provision to the contrary, for taxable years  
7 two thousand twenty-four and thereafter, an eligible individual, who  
8 filed a New York personal income tax return using a valid United States  
9 individual taxpayer identification number (ITIN) or if such individual  
10 otherwise satisfies the requirements of this paragraph, shall be eligi-  
11 ble for the credit under this subsection. A federal individual taxpayer  
12 identification number or a social security number must be provided for  
13 each spouse in the case of a couple filing jointly or separately and for  
14 each child in order to be eligible for the credit. For purposes of this  
15 paragraph, an eligible individual, upon request by the commissioner,  
16 shall be required to submit proof including, but not limited to, (i) (A)  
17 an eligible individual filed a tax return for each tax year such credit  
18 is allowed with the department using a valid United States individual  
19 taxpayer identification number, or (B) alternatively, such individual  
20 may submit one or more proofs of work described in paragraph (k) of  
21 subdivision five of section two of part EEE of chapter fifty-nine of the  
22 laws of two thousand twenty-one; and (ii) the proof of identity as  
23 described in paragraph (a) of subdivision five of section two of part  
24 EEE of chapter fifty-nine of the laws of two thousand twenty-one. The  
25 commissioner in conjunction with the commissioner of labor may, by regu-  
26 lation, establish alternative documents that sufficiently demonstrate an  
27 eligible individual's qualification for the tax credit, including but  
28 not limited to proof of identity as described in paragraph (a) of subdi-  
29 vision five of section two of part EEE of chapter fifty-nine of the laws  
30 of two thousand twenty-one, provided that such additional documents  
31 clearly demonstrate that such individual was employed and received mone-  
32 tary earnings for each tax year such individual is eligible for the  
33 credit prior to the date such individual certifies that they became  
34 eligible for the credit allowed under this subsection.

35 § 2. This act shall take effect immediately and shall apply to taxable  
36 years beginning on and after January 1, 2024. Effective immediately, the  
37 addition, amendment and/or repeal of any rule or regulation necessary  
38 for the implementation of this act on its effective date are authorized  
39 to be made and completed on or before such effective date.

40

## PART W

41 Section 1. Subsection (c-1) of section 606 of the tax law is amended  
42 by adding a new paragraph 5 to read as follows:

43 (5) (A) For tax year two thousand twenty-three, the commissioner shall  
44 issue a payment of a supplemental empire state child credit in the  
45 amount of (i) one hundred percent of the empire state child credit  
46 calculated and allowed pursuant to this subsection to taxpayers whose  
47 federal adjusted gross income was less than ten thousand dollars; (ii)  
48 seventy-five percent of the empire state child credit calculated and  
49 allowed pursuant to this subsection to taxpayers whose federal adjusted  
50 gross income was greater than or equal to ten thousand dollars but less  
51 than twenty-five thousand dollars; (iii) fifty percent of the empire  
52 state child credit calculated and allowed pursuant to this subsection to



1 taxpayers whose federal adjusted gross income was greater than or equal  
 2 to twenty-five thousand dollars but less than fifty thousand dollars;  
 3 and (iv) twenty-five percent of the empire state child credit calculated  
 4 and allowed pursuant to this subsection to taxpayers whose federal  
 5 adjusted gross income was greater than or equal to fifty thousand  
 6 dollars. Provided, however, that no payment shall be issued if it is  
 7 less than twenty-five dollars.

8 (B) The supplemental payment pursuant to this paragraph shall be  
 9 allowed to taxpayers who timely filed returns pursuant to section six  
 10 hundred fifty-one of this article, determined with regard to extensions  
 11 pursuant to section six hundred fifty-seven of this article.

12 § 2. This act shall take effect immediately.

13

## PART X

14 Section 1. Paragraphs 1, 2, and 3 of subsection (n-1) of section 606  
 15 of the tax law, as amended by section 1 of part BB of chapter 59 of the  
 16 laws of 2022, are amended to read as follows:

17 (1) An individual taxpayer who meets the eligibility standards in  
 18 paragraph two of this subsection shall be allowed a credit against the  
 19 taxes imposed by this article in the amount specified in paragraph three  
 20 of this subsection for tax year two thousand [twenty-two] twenty-four.

21 (2) To be eligible for the credit, the taxpayer (or taxpayers filing  
 22 joint returns) (a) must own and primarily reside in real property  
 23 receiving either the STAR exemption authorized by section four hundred  
 24 twenty-five of the real property tax law or the school tax relief credit  
 25 authorized by subsection (eee) of this section, and (b) must have had  
 26 qualified gross income no greater than two hundred fifty thousand  
 27 dollars in tax year two thousand [twenty] twenty-two.

28 (3) Amount of credit. (a) For a taxpayer who owned and primarily  
 29 resided in real property receiving the basic STAR exemption or who  
 30 received the basic STAR credit, the amount of the credit shall equal the  
 31 STAR tax savings associated with such basic STAR exemption in the two  
 32 thousand [twenty-one] twenty-three--two thousand [twenty-two] twenty-  
 33 four school year, multiplied by the following percentage:

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

Qualified Gross Income	Percentage
Not over \$75,000	[163%] <u>70%</u>
Over \$75,000 but not over \$150,000	[115%] <u>50%</u>
Over \$150,000 but not over \$200,000	[66%] <u>30%</u>
Over \$200,000 but not over \$250,000	18%
Over \$250,000	No credit

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

Qualified Gross Income	Percentage
Not over \$75,000	[125%] <u>85%</u>
Over \$75,000 but not over \$150,000	[115%] <u>60%</u>
Over \$150,000 but not over \$200,000	[105%] <u>40%</u>
Over \$200,000 but not over \$250,000	[100%] <u>28%</u>
Over \$250,000	No credit

50 (b) For a taxpayer who owned and primarily resided in real property  
 51 receiving the enhanced STAR exemption or who received the enhanced STAR  
 52 credit, the amount of the credit shall equal the STAR tax savings asso-  
 53 ciated with such enhanced STAR exemption in the two thousand [twenty-  
 54 one] twenty-three--two thousand [twenty-two] twenty-four school year,

1 multiplied by [sixty-six] thirty percent if the taxpayer's primary resi-  
2 dence is located outside the city of New York, or [one hundred ten]  
3 forty percent if the taxpayer's primary residence is located within the  
4 city of New York.

5 (c) In no case may the amount of the credit allowed under this  
6 subsection exceed the school district taxes due with respect to the  
7 residence for that school year, nor shall any credit be allowed under  
8 this subsection if the amount determined pursuant to this paragraph is  
9 less than one hundred dollars.

10 § 2. This act shall take effect immediately.

11 PART Y

12 Section 1. Subdivision (a) of section 1115 of the tax law is amended  
13 by adding a new paragraph 47 to read as follows:

14 (47) Fire extinguishers, fire alarms, heat alarms or carbon monoxide  
15 alarms purchased for residential use during the month of October.

16 § 2. This act shall take effect on the thirtieth day after it shall  
17 have become a law.

18 PART Z

19 Section 1. Subdivision (a) of section 1115 of the tax law is amended  
20 by adding a new paragraph 47 to read as follows:

21 (47) School supplies or items commonly used by a student in a course  
22 of study for which the receipt or consideration given or contracted to  
23 be given is less than one hundred ten dollars per item, which shall  
24 include, but not be limited to, book bags or backpacks, textbooks, pens,  
25 pencils, highlighters, crayons, markers, erasers, index cards, paper,  
26 notebooks, binders, folders, scissors, rulers and calculators. Only the  
27 purchases made during the fifteen-day period commencing on the fifteenth  
28 day immediately preceding the first Monday in September, known as Labor  
29 Day, and ending on Labor Day, during each calendar year shall be exempt  
30 under this paragraph.

31 § 2. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as  
32 amended by section 5 of part J of chapter 59 of the laws of 2021, is  
33 amended to read as follows:

34 (1) Either, all of the taxes described in article twenty-eight of this  
35 chapter, at the same uniform rate, as to which taxes all provisions of  
36 the local laws, ordinances or resolutions imposing such taxes shall be  
37 identical, except as to rate and except as otherwise provided, with the  
38 corresponding provisions in such article twenty-eight, including the  
39 definition and exemption provisions of such article, so far as the  
40 provisions of such article twenty-eight can be made applicable to the  
41 taxes imposed by such city or county and with such limitations and  
42 special provisions as are set forth in this article. The taxes author-  
43 ized under this subdivision may not be imposed by a city or county  
44 unless the local law, ordinance or resolution imposes such taxes so as  
45 to include all portions and all types of receipts, charges or rents,  
46 subject to state tax under sections eleven hundred five and eleven  
47 hundred ten of this chapter, except as otherwise provided. Notwith-  
48 standing the foregoing, a tax imposed by a city or county authorized  
49 under this subdivision shall not include the tax imposed on charges for  
50 admission to race tracks and simulcast facilities under subdivision (f)  
51 of section eleven hundred five of this chapter. (i) Any local law, ordi-  
52 nance or resolution enacted by any city of less than one million or by

1 any county or school district, imposing the taxes authorized by this  
2 subdivision, shall, notwithstanding any provision of law to the contra-  
3 ry, exclude from the operation of such local taxes all sales of tangible  
4 personal property for use or consumption directly and predominantly in  
5 the production of tangible personal property, gas, electricity, refrig-  
6 eration or steam, for sale, by manufacturing, processing, generating,  
7 assembly, refining, mining or extracting; and all sales of tangible  
8 personal property for use or consumption predominantly either in the  
9 production of tangible personal property, for sale, by farming or in a  
10 commercial horse boarding operation, or in both; and all sales of fuel  
11 sold for use in commercial aircraft and general aviation aircraft; and,  
12 unless such city, county or school district elects otherwise, shall omit  
13 the provision for credit or refund contained in clause six of subdivi-  
14 sion (a) or subdivision (d) of section eleven hundred nineteen of this  
15 chapter. (ii) Any local law, ordinance or resolution enacted by any  
16 city, county or school district, imposing the taxes authorized by this  
17 subdivision, shall omit the residential solar energy systems equipment  
18 and electricity exemption provided for in subdivision (ee), the commer-  
19 cial solar energy systems equipment and electricity exemption provided  
20 for in subdivision (ii), the commercial fuel cell electricity generating  
21 systems equipment and electricity generated by such equipment exemption  
22 provided for in subdivision (kk) [and], the clothing and footwear  
23 exemption provided for in paragraph thirty of subdivision (a) of section  
24 eleven hundred fifteen of this chapter, and the school supplies or items  
25 commonly used by a student in a course of study exemption provided for  
26 in paragraph forty-seven of subdivision (a) of section eleven hundred  
27 fifteen of this chapter, unless such city, county or school district  
28 elects otherwise as to such residential solar energy systems equipment  
29 and electricity exemption, such commercial solar energy systems equip-  
30 ment and electricity exemption, commercial fuel cell electricity gener-  
31 ating systems equipment and electricity generated by such equipment  
32 exemption or such clothing and footwear exemption, or such school  
33 supplies or items commonly used by a student in a course of study  
34 exemption.

35 § 3. Paragraph 4 of subdivision (a) of section 1210 of the tax law, as  
36 amended by section 2 of part WW, subparagraphs (xii) and (xiii) as sepa-  
37 rately amended and subparagraph (xiv) as added by section 6 of part Z of  
38 chapter 60 of the laws of 2016, is amended to read as follows:

39 (4) Notwithstanding any other provision of law to the contrary, any  
40 local law enacted by any city of one million or more that imposes the  
41 taxes authorized by this subdivision (i) may omit the exception provided  
42 in subparagraph (ii) of paragraph three of subdivision (c) of section  
43 eleven hundred five of this chapter for receipts from laundering, dry-  
44 cleaning, tailoring, weaving, pressing, shoe repairing and shoe shining;  
45 (ii) may impose the tax described in paragraph six of subdivision (c) of  
46 section eleven hundred five of this chapter at a rate in addition to the  
47 rate prescribed by this section not to exceed two percent in multiples  
48 of one-half of one percent; (iii) shall provide that the tax described  
49 in paragraph six of subdivision (c) of section eleven hundred five of  
50 this chapter does not apply to facilities owned and operated by the city  
51 or an agency or instrumentality of the city or a public corporation the  
52 majority of whose members are appointed by the chief executive officer  
53 of the city or the legislative body of the city or both of them; (iv)  
54 shall not include any tax on receipts from, or the use of, the services  
55 described in paragraph seven of subdivision (c) of section eleven  
56 hundred five of this chapter; (v) shall provide that, for purposes of

1 the tax described in subdivision (e) of section eleven hundred five of  
2 this chapter, "permanent resident" means any occupant of any room or  
3 rooms in a hotel for at least one hundred eighty consecutive days with  
4 regard to the period of such occupancy; (vi) may omit the exception  
5 provided in paragraph one of subdivision (f) of section eleven hundred  
6 five of this chapter for charges to a patron for admission to, or use  
7 of, facilities for sporting activities in which the patron is to be a  
8 participant, such as bowling alleys and swimming pools; (vii) may  
9 provide the clothing and footwear exemption in paragraph thirty of  
10 subdivision (a) of section eleven hundred fifteen of this chapter, and,  
11 notwithstanding any provision of subdivision (d) of this section to the  
12 contrary, any local law providing for such exemption or repealing such  
13 exemption, may go into effect on any one of the following dates: March  
14 first, June first, September first or December first; (viii) shall omit  
15 the exemption provided in paragraph forty-one of subdivision (a) of  
16 section eleven hundred fifteen of this chapter; (ix) shall omit the  
17 exemption provided in subdivision (c) of section eleven hundred fifteen  
18 of this chapter insofar as it applies to fuel, gas, electricity, refrigeration  
19 and steam, and gas, electric, refrigeration and steam service of  
20 whatever nature for use or consumption directly and exclusively in the  
21 production of gas, electricity, refrigeration or steam; (x) shall omit,  
22 unless such city elects otherwise, the provision for refund or credit  
23 contained in clause six of subdivision (a) or in subdivision (d) of  
24 section eleven hundred nineteen of this chapter; (xi) shall omit,  
25 unless such city elects otherwise, the exemption for residential solar  
26 energy systems equipment and electricity provided in subdivision (ee) of  
27 section eleven hundred fifteen of this chapter; (xii) shall omit,  
28 unless such city elects otherwise, the exemption for commercial solar  
29 energy systems equipment and electricity provided in subdivision (ii) of  
30 section eleven hundred fifteen of this chapter; [and] (xiv) shall  
31 exclude from the operation of such local taxes all sales of fuel sold  
32 for use in commercial aircraft and general aviation aircraft[. (xiv)];  
33 (xv) shall omit, unless such city elects otherwise, the exemption for  
34 commercial fuel cell electricity generating systems equipment and elec-  
35 tricity generated by such equipment provided in subdivision (kk) of  
36 section eleven hundred fifteen of this chapter[.]; and (xvi) may  
37 provide the school supplies and items commonly used by a student in a  
38 course of study exemption in paragraph forty-seven of subdivision  
39 (a) of section eleven hundred fifteen of this chapter, and, notwith-  
40 standing any provision of subdivision (d) of this section to the  
41 contrary, any local law providing for such exemption or repealing such  
42 exemption, may be applicable only to the purchases made during the  
43 fifteen-day period commencing on the fifteenth day immediately preceding  
44 the first Monday in September, known as Labor Day, and ending on Labor  
45 Day, during each calendar year. Any reference in this chapter or in any  
46 local law, ordinance or resolution enacted pursuant to the authority of  
47 this article to former subdivisions (n) or (p) of this section shall be  
48 deemed to be a reference to clauses (xii) or (xiii) of this paragraph,  
49 respectively, and any such local law, ordinance or resolution that  
50 provides the exemptions provided in such former subdivisions (n) and/or  
51 (p) shall be deemed instead to provide the exemptions provided in claus-  
52 es (xii) and/or (xiii) of this paragraph.

53 § 4. This act shall take effect immediately.

54

PART AA



1 Section 1. Subdivision (a) of section 1115 of the tax law is amended  
2 by adding a new paragraph 3-c to read as follows:

3 (3-c) Oral hygiene products, including toothbrushes, toothpaste, tooth  
4 powders, mouthwash, dental floss, or other similar products.

5 § 2. This act shall take effect on the thirtieth day after it shall  
6 have become a law.

7

## PART BB

8 Section 1. Section 1115 of the tax law is amended by adding two new  
9 subdivisions (ll) and (mm) to read as follows:

10 (ll) The following shall be exempt from tax under this article: (1)  
11 Receipts from the retail sale of, and consideration given or contracted  
12 to be given for, or for the use of, residential energy storage systems  
13 equipment and the service of installing such systems. For the purposes  
14 of this subdivision, "residential energy storage systems equipment"  
15 shall mean an arrangement or combination of components installed in a  
16 residence that stores electricity for use at a later time to provide  
17 heating, cooling, hot water and/or electricity.

18 (2) Receipts from the sale of electricity by a person primarily  
19 engaged in the sale of energy storage system equipment and/or electric-  
20 ity generated by such equipment pursuant to a written agreement under  
21 which such electricity is generated by residential energy system storage  
22 equipment that is: (A) owned by a person other than the purchaser of  
23 such electricity; (B) installed on residential property of the purchaser  
24 of such electricity; and (C) used to provide heating, cooling, hot water  
25 or electricity.

26 (mm) The following shall be exempt from tax under this article: (1)  
27 Receipts from the retail sale of, and consideration given or contracted  
28 to be given for, or for the use of, commercial energy storage systems  
29 equipment and the costs of installing such systems. For the purposes of  
30 this subdivision, "commercial energy storage systems equipment" shall  
31 mean an arrangement or combination of components installed upon non-re-  
32 sidential premises that stores electricity for use at a later time to  
33 provide heating, cooling, hot water and/or electricity.

34 (2) Receipts from the sale of electricity by a person primarily  
35 engaged in the sale of energy storage system equipment and/or electric-  
36 ity generated by such equipment pursuant to a written agreement under  
37 which the electricity is generated by commercial energy system equipment  
38 that is: (A) owned by a person other than the purchaser of such elec-  
39 tricity; (B) installed on the non-residential premises of the purchaser  
40 of such electricity; and (C) used to provide heating, cooling, hot water  
41 or electricity to such premises.

42 § 2. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as  
43 amended by section 5 of part J of chapter 59 of the laws of 2021, is  
44 amended to read as follows:

45 (1) Either, all of the taxes described in article twenty-eight of this  
46 chapter, at the same uniform rate, as to which taxes all provisions of  
47 the local laws, ordinances or resolutions imposing such taxes shall be  
48 identical, except as to rate and except as otherwise provided, with the  
49 corresponding provisions in such article twenty-eight, including the  
50 definition and exemption provisions of such article, so far as the  
51 provisions of such article twenty-eight can be made applicable to the  
52 taxes imposed by such city or county and with such limitations and  
53 special provisions as are set forth in this article. The taxes author-  
54 ized under this subdivision may not be imposed by a city or county

1 unless the local law, ordinance or resolution imposes such taxes so as  
2 to include all portions and all types of receipts, charges or rents,  
3 subject to state tax under sections eleven hundred five and eleven  
4 hundred ten of this chapter, except as otherwise provided. Notwith-  
5 standing the foregoing, a tax imposed by a city or county authorized  
6 under this subdivision shall not include the tax imposed on charges for  
7 admission to race tracks and simulcast facilities under subdivision (f)  
8 of section eleven hundred five of this chapter. (i) Any local law, ordi-  
9 nance or resolution enacted by any city of less than one million or by  
10 any county or school district, imposing the taxes authorized by this  
11 subdivision, shall, notwithstanding any provision of law to the contra-  
12 ry, exclude from the operation of such local taxes all sales of tangible  
13 personal property for use or consumption directly and predominantly in  
14 the production of tangible personal property, gas, electricity, refrig-  
15 eration or steam, for sale, by manufacturing, processing, generating,  
16 assembly, refining, mining or extracting; and all sales of tangible  
17 personal property for use or consumption predominantly either in the  
18 production of tangible personal property, for sale, by farming or in a  
19 commercial horse boarding operation, or in both; and all sales of fuel  
20 sold for use in commercial aircraft and general aviation aircraft; and,  
21 unless such city, county or school district elects otherwise, shall omit  
22 the provision for credit or refund contained in clause six of subdivi-  
23 sion (a) or subdivision (d) of section eleven hundred nineteen of this  
24 chapter. (ii) Any local law, ordinance or resolution enacted by any  
25 city, county or school district, imposing the taxes authorized by this  
26 subdivision, shall omit the residential solar energy systems equipment  
27 and electricity exemption provided for in subdivision (ee), the commer-  
28 cial solar energy systems equipment and electricity exemption provided  
29 for in subdivision (ii), the commercial fuel cell electricity generating  
30 systems equipment and electricity generated by such equipment exemption  
31 provided for in subdivision (kk), the residential energy storage systems  
32 equipment and electricity exemption provided for in subdivision (ll),  
33 the commercial energy storage systems equipment and electricity  
34 exemption provided for in subdivision (mm) and the clothing and footwear  
35 exemption provided for in paragraph thirty of subdivision (a) of section  
36 eleven hundred fifteen of this chapter, unless such city, county or  
37 school district elects otherwise as to such residential solar energy  
38 systems equipment and electricity exemption, such commercial solar ener-  
39 gy systems equipment and electricity exemption, commercial fuel cell  
40 electricity generating systems equipment and electricity generated by  
41 such equipment exemption or such clothing and footwear exemption.

42 § 3. Subdivision (d) of section 1210 of the tax law, as amended by  
43 section 4 of part WW of chapter 60 of the laws of 2016, is amended to  
44 read as follows:

45 (d) A local law, ordinance or resolution imposing any tax pursuant to  
46 this section, increasing or decreasing the rate of such tax, repealing  
47 or suspending such tax, exempting from such tax the energy sources and  
48 services described in paragraph three of subdivision (a) or of subdivi-  
49 sion (b) of this section or changing the rate of tax imposed on such  
50 energy sources and services or providing for the credit or refund  
51 described in clause six of subdivision (a) of section eleven hundred  
52 nineteen of this chapter, or electing or repealing the exemption for  
53 residential solar equipment and electricity in subdivision (ee) of  
54 section eleven hundred fifteen of this article, or the exemption for  
55 commercial solar equipment and electricity in subdivision (ii) of  
56 section eleven hundred fifteen of this article, or electing or repealing

1 the exemption for commercial fuel cell electricity generating systems  
2 equipment and electricity generated by such equipment in subdivision  
3 (kk) of section eleven hundred fifteen of this article, or the exemption  
4 for residential energy storage equipment or electricity in subdivision  
5 (ll) of section eleven hundred fifteen of this article, or the exemption  
6 for commercial energy storage equipment and electricity in subdivision  
7 (mm) of section eleven hundred fifteen of this article must go into  
8 effect only on one of the following dates: March first, June first,  
9 September first or December first; provided, that a local law, ordinance  
10 or resolution providing for the exemption described in paragraph thirty  
11 of subdivision (a) of section eleven hundred fifteen of this chapter or  
12 repealing any such exemption or a local law, ordinance or resolution  
13 providing for a refund or credit described in subdivision (d) of section  
14 eleven hundred nineteen of this chapter or repealing such provision so  
15 provided must go into effect only on March first. No such local law,  
16 ordinance or resolution shall be effective unless a certified copy of  
17 such law, ordinance or resolution is mailed by registered or certified  
18 mail to the commissioner at the commissioner's office in Albany at least  
19 ninety days prior to the date it is to become effective. However, the  
20 commissioner may waive and reduce such ninety-day minimum notice  
21 requirement to a mailing of such certified copy by registered or certi-  
22 fied mail within a period of not less than thirty days prior to such  
23 effective date if the commissioner deems such action to be consistent  
24 with the commissioner's duties under section twelve hundred fifty of  
25 this article and the commissioner acts by resolution. Where the  
26 restriction provided for in section twelve hundred twenty-three of this  
27 article as to the effective date of a tax and the notice requirement  
28 provided for therein are applicable and have not been waived, the  
29 restriction and notice requirement in section twelve hundred twenty-  
30 three of this article shall also apply.

31 § 4. This act shall take effect on the thirtieth day after it shall  
32 have become a law.

33

## PART CC

34 Section 1. The tax law is amended by adding a new section 49 to read  
35 as follows:

36 § 49. Work opportunity tax credit. (a) General. A taxpayer subject to  
37 tax under article nine-A, twenty-two, or thirty-three of this chapter  
38 shall be allowed a credit against such tax in an amount equal to one  
39 hundred percent of the credit that is allowed to the taxpayer under  
40 section 51 of the internal revenue code that is attributable to quali-  
41 fied wages paid to a New York resident who is a member of a targeted  
42 group and for whom a certificate to that effect has been issued by the  
43 department of labor.

44 (b) Definitions. The terms "qualified wages" and "targeted group"  
45 shall have the same meanings as in section 51 of the internal revenue  
46 code.

47 (c) Effect on other tax credits. Wages which are the basis of the  
48 credit under this section may not be used as the basis for any other  
49 credit allowed under this chapter.

50 (d) Limit on tax credits issued. Over the lifetime of the tax credit,  
51 the total amount of tax credits provided for under this section shall  
52 not exceed thirty million dollars.

53 (e) Cross-references. For application of the credit provided for in  
54 this section, see the following provisions of this chapter:



- 1 (1) article 9-A: section 210-B, subdivision 60;  
2 (2) article 22: section 606, subsection (bbb);  
3 (3) article 33: section 1511, subdivision (ff).

4 § 2. Section 210-B of the tax law is amended by adding a new subdivi-  
5 sion 60 to read as follows:

6 60. Work opportunity tax credit. (a) Allowance of credit. A taxpayer  
7 shall be allowed a credit, to be computed as provided in section forty-  
8 nine of this chapter, against the tax imposed by this article. Such  
9 credit may not exceed five hundred dollars per eligible employee per  
10 year in any given tax year.

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

23 § 3. Section 606 of the tax law is amended by adding a new subsection  
24 (bbb) to read as follows:

25 (bbb) Work opportunity tax credit. (1) Allowance of credit. A taxpayer  
26 shall be allowed a credit, to be computed as provided in section forty-  
27 nine of this chapter, against the tax imposed by this article. Such  
28 credit may not exceed five hundred dollars per eligible employee per  
29 year in any given tax year.

30 (2) Application of credit. If the amount of the credit allowed under  
31 this subsection for any taxable year shall exceed the taxpayer's tax for  
32 such year, the excess shall be treated as an overpayment of tax to be  
33 credited or refunded in accordance with the provisions of section six  
34 hundred eighty-six of this article, provided, however, that no interest  
35 shall be paid thereon.

36 § 4. Section 1511 of the tax law is amended by adding a new subdivi-  
37 sion (ff) to read as follows:

38 (ff) Work opportunity tax credit. (1) Allowance of credit. A taxpayer  
39 shall be allowed a credit, to be computed as provided in section forty-  
40 nine of this chapter, against the tax imposed by this article. Such  
41 credit may not exceed five hundred dollars per eligible employee per  
42 year in any given tax year.

43 (2) Application of credit. The credit allowed under this subdivision  
44 shall not reduce the tax due for such year to be less than the minimum  
45 fixed by paragraph four of subdivision (a) of section fifteen hundred  
46 two or section fifteen hundred two-a of this article, whichever is  
47 applicable. However, if the amount of the credit allowed under this  
48 subdivision for any taxable year reduces the taxpayer's tax to such  
49 amount, any amount of credit thus not deductible will be treated as an  
50 overpayment of tax to be credited in accordance with the provisions of  
51 section one thousand eighty-six of this chapter. Provided, however, the  
52 provisions of subsection (c) of section one thousand eighty-eight of  
53 this chapter notwithstanding, no interest shall be paid thereon.

54 § 5. This act shall take effect April 1, 2025 and shall apply to taxa-  
55 ble years beginning on and after January 1, 2025 and shall apply to



1 wages paid to individuals hired on and after such effective date and  
2 shall expire and be deemed repealed December 31, 2027.

3 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
4 sion, section or part of this act shall be adjudged by any court of  
5 competent jurisdiction to be invalid, such judgment shall not affect,  
6 impair, or invalidate the remainder thereof, but shall be confined in  
7 its operation to the clause, sentence, paragraph, subdivision, section  
8 or part thereof directly involved in the controversy in which such judg-  
9 ment shall have been rendered. It is hereby declared to be the intent of  
10 the legislature that this act would have been enacted even if such  
11 invalid provisions had not been included herein.

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

