

STATE OF NEW YORK

9009--B

IN ASSEMBLY

January 19, 2022

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 -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

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

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

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(Part K); to amend chapter 604 of the laws of 2011 amending the tax law relating to the credit for companies who provide transportation to people with disabilities, in relation to the effectiveness thereof; and to amend the tax law, in relation to the application of a credit for companies who provide transportation to individuals with disabilities (Part L); to amend the tax law, in relation to the empire state film production credit and the empire state film post production credit (Part M); to amend the labor law, in relation to extending the New York youth jobs program tax credit (Part N); to amend the labor law, in relation to extending the empire state apprenticeship tax credit program (Part O); to amend the tax law, in relation to extending the alternative fuels and electric vehicle recharging property credit (Part P); to amend the labor law, in relation to the program period for the workers with disabilities tax credit program; and to amend part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program, in relation to the effectiveness thereof (Part Q); intentionally omitted (Part R); to amend the tax law, in relation to the investment tax credit (Part S); intentionally omitted (Part T); intentionally omitted (Part U); intentionally omitted (Part V); to amend the tax law in relation to requiring publication of changes in withholding tables and interest rates (Part W); to amend the tax law, in relation to expanding the definition of financial institution under the financial institution data match program (Part X); to amend the real property tax law and chapter 475 of the laws of 2013, relating to assessment ceilings for local public utility mass real property, in relation to extending the assessment ceiling for local public utility mass real property to January 1, 2027 (Part Y); to amend the real property tax law, in relation to good cause refunds for the STAR program (Subpart A); intentionally omitted (Subpart B); to amend the tax law, in relation to clarifying the applicable income tax year for the basic STAR credit (Subpart C); to amend the tax law, in relation to allowing names of STAR credit recipients to be disclosed to assessors outside of New York state (Subpart D); and to amend the tax law, in relation to allowing decedent reports to be given to assessors (Subpart E) (Part Z); to amend the real property tax law, in relation to the grievance process with respect to the valuation of solar and wind energy systems (Part AA); to amend the tax law, in relation to establishing a homeowner tax rebate credit (Part BB); intentionally omitted (Part CC); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds; and to amend part LLL of chapter 59 of the laws of 2021 amending the racing, pari-mutuel wagering and breeding law, relating to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds, in relation to the effectiveness thereof (Part DD); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions



thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part EE); to amend the tax law, in relation to providing for the advance payment of the earned income tax credit (Part FF); to amend the tax law, in relation to pass-through manufacturers zero percent tax rate (Part GG); to amend the tax law and the parks, recreation and historic preservation law, in relation to extending the credit for rehabilitation of historic properties (Part HH); to amend the tax law, in relation to permitting deductions for commercial cannabis activity; and providing for the repeal of such provisions upon expiration thereof (Part II); to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York Jockey Injury Compensation Fund, Inc. (Part JJ); to amend the tax law, in relation to increasing the aggregate cap on the amount of such credit (Part KK); to amend the tax law, in relation to exempting the sale of the first thirty-five thousand dollars of a battery, electric, or plug-in hybrid electric vehicle from state sales and compensating use taxes; and providing for the repeal of such provisions upon the expiration thereof (Part LL); to amend the tax law, in relation to establishing small business savings accounts (Part MM); to amend the tax law, in relation to establishing a credit for geothermal energy systems (Part NN); to amend the state finance law, in relation to the liability of a person who presents false claims for money or property to the state or a local government (Part OO); to amend the tax law, in relation to extending sales tax exemption for certain food and drink vending machines (Part PP); to amend the real property tax law, in relation to providing that state lands within the Eastport-South Manor Central School District are subject to taxation for school purposes (Part QQ); to amend the real property tax law and the tax law, in relation to the definition of income in relation to the enhanced STAR exemption (Part RR); to amend the real property tax law, in relation to an abatement of real property taxes for the creation or expansion of childcare centers in certain buildings in a city having a population of one million or more (Part SS); to amend the tax law and the administrative code of the city of New York, in relation to the earned income tax credit (Part TT); to amend the administrative code of the city of New York, in relation to establishing a tax credit for child care against the unincorporated business tax, general corporation tax, and the business corporation tax of 2015 (Part UU); to amend the tax law and the economic development law, in relation to the creation of the empire state digital gaming media production credit; and providing for the repeal of certain provisions upon expiration thereof (Part VV); and to amend the racing, pari-mutuel wagering and breeding law, in relation to mobile sports wagering licenses (Part WW)

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

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2022-2023
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through WW. 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

1 section "of this act", when used in connection with that particular
 2 component, shall be deemed to mean and refer to the corresponding
 3 section of the Part in which it is found. Section three of this act sets
 4 forth the general effective date of this act.

5

PART A

6 Section 1. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of
 7 paragraph 1 of subsection (a) of section 601 of the tax law, clauses
 8 (vi), (vii) and (viii) as amended and clause (ix) as added by section 1
 9 of part A of chapter 59 of the laws of 2021, are amended to read as
 10 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 \$17,150	4% of the New York taxable income
15 Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
16	\$17,150
17 Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
18	\$23,600
19 Over \$27,900 but not over \$161,550	\$1,202 plus 5.73% of excess over
20	\$27,900
21 Over \$161,550 but not over \$323,200	\$8,860 plus 6.17% of excess over
22	\$161,550
23 Over \$323,200 but not over	\$18,834 plus 6.85% of
24 \$2,155,350	excess over \$323,200
25 Over \$2,155,350 but not over	\$144,336 plus 9.65% of excess over
26 \$5,000,000	\$2,155,350
27 Over \$5,000,000 but not over	\$418,845 plus 10.30% of excess over
28 \$25,000,000	\$5,000,000
29 Over \$25,000,000	\$2,478,845 plus 10.90% of excess over
30	\$25,000,000

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

33 If the New York taxable income is:	The tax is:
34 Not over \$17,150	4% of the New York taxable income
35 Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
36	\$17,150
37 Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
38	\$23,600
39 Over \$27,900 but not over \$161,550	\$1,202 plus 5.61% of excess over
40	\$27,900
41 Over \$161,550 but not over \$323,200	\$8,700 plus 6.09% of excess over
42	\$161,550
43 Over \$323,200 but not over	\$18,544 plus 6.85% of excess over
44 \$2,155,350	\$323,200
45 Over \$2,155,350 but not over	\$144,047 plus 9.65% of excess over
46 \$5,000,000	\$2,155,350
47 Over \$5,000,000 but not over	\$418,555 plus 10.30% of excess over
48 \$25,000,000	\$5,000,000
49 Over \$25,000,000	\$2,478,555 plus 10.90% of excess over
50	\$25,000,000

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

1	If the New York taxable income is:	The tax is:
2	Not over \$17,150	4% of the New York taxable income
3	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
4		\$17,150
5	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
6		\$23,600
7	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
8		\$27,900
9	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess over
10		\$161,550
11	Over \$323,200 but not over	\$18,252 plus 6.85% of excess over
12	\$2,155,350	\$323,200
13	Over \$2,155,350 but not over	\$143,754 plus 9.65% of excess over
14	\$5,000,000	\$2,155,350
15	Over \$5,000,000 but not over	\$418,263 plus 10.30% of excess over
16	\$25,000,000	\$5,000,000
17	Over \$25,000,000	\$2,478,263 plus 10.90% of excess over
18		\$25,000,000

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

21	If the New York taxable income is:	The tax is:
22	Not over \$17,150	4% of the New York taxable income
23	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
24		\$17,150
25	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
26		\$23,600
27	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
28		\$27,900
29	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess
30		over \$161,550
31	Over \$323,200 but not over	\$18,252 plus 6.85% of excess
32	\$2,155,350	over \$323,200
33	Over \$2,155,350	\$143,754 plus 8.82% of excess
34		over \$2,155,350

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

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

42	[If the New York taxable income is:	The tax is:
43	Not over \$12,800	4% of the New York taxable income
44	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
45		\$12,800
46	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
47		\$17,650
48	Over \$20,900 but not over \$107,650	\$901 plus 5.73% of excess over
49		\$20,900
50	Over \$107,650 but not over \$269,300	\$5,872 plus 6.17% of excess over
51		\$107,650
52	Over \$269,300 but not over	\$15,845 plus 6.85% of excess
53	\$1,616,450	over \$269,300
54	Over \$1,616,450 but not over	\$108,125 plus 9.65% of excess over



1	\$5,000,000	\$1,616,450
2	Over \$5,000,000 but not over	\$434,638 plus 10.30% of excess over
3	\$25,000,000	\$5,000,000
4	Over \$25,000,000	\$2,494,638 plus 10.90% of excess over
5		\$25,000,000

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

8	If the New York taxable income is:	The tax is:
9	Not over \$12,800	4% of the New York taxable income
10	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
11		\$12,800
12	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
13		\$17,650
14	Over \$20,900 but not over \$107,650	\$901 plus 5.61% of excess over
15		\$20,900
16	Over \$107,650 but not over \$269,300	\$5,768 plus 6.09% of excess over
17		\$107,650
18	Over \$269,300 but not over	\$15,612 plus 6.85% of excess
19	\$1,616,450	over \$269,300
20	Over \$1,616,450 but not over	\$107,892 plus 9.65% of excess over
21	\$5,000,000	\$1,616,450
22	Over \$5,000,000 but not over	\$434,404 plus 10.30% of excess over
23	\$25,000,000	\$5,000,000
24	Over \$25,000,000	\$2,494,404 plus 10.90% of excess over
25		\$25,000,000

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

28	If the New York taxable income is:	The tax is:
29	Not over \$12,800	4% of the New York taxable income
30	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
31		\$12,800
32	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
33		\$17,650
34	Over \$20,900 but not over \$107,650	\$901 plus 5.5% of excess over
35		\$20,900
36	Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over
37		\$107,650
38	Over \$269,300 but not over	\$15,371 plus 6.85% of excess over
39	\$1,616,450	\$269,300
40	Over \$1,616,450 but not over	\$107,651 plus 9.65% of excess over
41	\$5,000,000	\$1,616,450
42	Over \$5,000,000 but not over	\$434,163 plus 10.30% of excess over
43	\$25,000,000	\$5,000,000
44	Over \$25,000,000	\$2,494,163 plus 10.90% of excess over
45		\$25,000,000

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

48	If the New York taxable income is:	The tax is:
49	Not over \$12,800	4% of the New York taxable income
50	Over \$12,800 but not over	\$512 plus 4.5% of excess over
51	\$17,650	\$12,800
52	Over \$17,650 but not over	\$730 plus 5.25% of excess over
53	\$20,900	\$17,650
54	Over \$20,900 but not over	\$901 plus 5.5% of excess over
55	\$107,650	\$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), (vii), (viii) and (ix) of subparagraph (B) of para-
8 graph 1 of subsection (c) of section 601 of the tax law, clauses (vi),
9 (vii) and (viii) as amended, and clause (ix) as added by section 3 of
10 part A of chapter 59 of the laws of 2021, are amended to read as
11 follows:

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

14	[If the New York taxable income is:	The tax is:
15	Not over \$8,500	4% of the New York taxable income
16	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
17		\$8,500
18	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
19		\$11,700
20	Over \$13,900 but not over \$80,650	\$600 plus 5.73% of excess over
21		\$13,900
22	Over \$80,650 but not over \$215,400	\$4,424 plus 6.17% of excess over
23		\$80,650
24	Over \$215,400 but not over	\$12,738 plus 6.85% of excess
25	\$1,077,550	over \$215,400
26	Over \$1,077,550 but not over	\$71,796 plus 9.65% of excess over
27	\$5,000,000	\$1,077,550
28	Over \$5,000,000 but not over	\$450,312 plus 10.30% of excess over
29	\$25,000,000	\$5,000,000
30	Over \$25,000,000	\$2,510,312 plus 10.90% of excess over
31		\$25,000,000

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

34	If the New York taxable income is:	The tax is:
35	Not over \$8,500	4% of the New York taxable income
36	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
37		\$8,500
38	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
39		\$11,700
40	Over \$13,900 but not over \$80,650	\$600 plus 5.61% of excess over
41		\$13,900
42	Over \$80,650 but not over \$215,400	\$4,344 plus 6.09% of excess over
43		\$80,650
44	Over \$215,400 but not over	\$12,550 plus 6.85% of excess
45	\$1,077,550	over \$215,400
46	Over \$1,077,550 but not over	\$71,608 plus 9.65% of excess over
47	\$5,000,000	\$1,077,550
48	Over \$5,000,000 but not over	\$450,124 plus 10.30% of excess over
49	\$25,000,000	\$5,000,000
50	Over \$25,000,000	\$2,510,124 plus 10.90% of excess over
51		\$25,000,000

52 (viii) For taxable years beginning after two thousand twenty-four and
53 before two thousand twenty-eight the 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 over
10		\$80,650
11	Over \$215,400 but not over	\$12,356 plus 6.85% of excess over
12	\$1,077,550	\$215,400
13	Over \$1,077,550 but not over	\$71,413 plus 9.65% of excess over
14	\$5,000,000	\$1,077,550
15	Over \$5,000,000 but not over	\$449,929 plus 10.30% of excess over
16	\$25,000,000	\$5,000,000
17	Over \$25,000,000	\$2,509,929 plus 10.90% of excess over
18		\$25,000,000

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

21	If the New York taxable income is:	The tax is:
22	Not over \$8,500	4% of the New York taxable income
23	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
24		\$8,500
25	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
26		\$11,700
27	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
28		\$13,900
29	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess
30		over \$80,650
31	Over \$215,400 but not over	\$12,356 plus 6.85% of excess
32	\$1,077,550	over \$215,400
33	Over \$1,077,550	\$71,413 plus 8.82% of excess
34		over \$1,077,550

35 § 4. This act shall take effect immediately.

36

PART B

37 Section 1. This act enacts into law components of legislation relating
 38 to certain tax credits. Each component is wholly contained within a
 39 Subpart identified as Subparts A through C. The effective date for each
 40 particular provision contained within such Subpart is set forth in the
 41 last section of such Subpart. Any provision in any section contained
 42 within a Subpart, including the effective date of the Subpart, which
 43 makes reference to a section "of this act", when used in connection with
 44 that particular component, shall be deemed to mean and refer to the
 45 corresponding section of the Subpart in which it is found. Section three
 46 of this act sets forth the general effective date of this act.

47

SUBPART A

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

50 (a-1) For a taxpayer that is an eligible farmer, as defined in subdi-
 51 vision eleven of this section, the percentage to be used to compute the



1 credit allowed under this subdivision shall be twenty percent for prop-
2 erty described in subparagraph (i) of paragraph (b) of this subdivision
3 that is principally used by the taxpayer in the production of goods by
4 farming, agriculture, horticulture, floriculture or viticulture.

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

7 (1-a) For a taxpayer that is an eligible farmer, as defined in
8 subsection (n) of this section, the percentage to be used to compute the
9 credit allowed under this subsection shall be twenty percent for proper-
10 ty described in subparagraph (A) of paragraph two of this subsection
11 that is principally used by the taxpayer in the production of goods by
12 farming, agriculture, horticulture, floriculture or viticulture.

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

15

SUBPART B

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

19 (e) For taxable years beginning on or after January first, two thou-
20 sand seventeen and before January first, two thousand eighteen, the
21 amount of the credit allowed under this section shall be equal to the
22 product of the total number of eligible farm employees and two hundred
23 fifty dollars. For taxable years beginning on or after January first,
24 two thousand eighteen and before January first, two thousand nineteen,
25 the amount of the credit allowed under this section shall be equal to
26 the product of the total number of eligible farm employees and three
27 hundred dollars. For taxable years beginning on or after January first,
28 two thousand nineteen and before January first, two thousand twenty, the
29 amount of the credit allowed under this section shall be equal to the
30 product of the total number of eligible farm employees and five hundred
31 dollars. For taxable years beginning on or after January first, two
32 thousand twenty and before January first, two thousand twenty-one, the
33 amount of the credit allowed under this section shall be equal to the
34 product of the total number of eligible farm employees and four hundred
35 dollars. For taxable years beginning on or after January first, two
36 thousand twenty-one and before January first, two thousand [twenty-five]
37 twenty-six, the amount of the credit allowed under this section shall be
38 equal to the product of the total number of eligible farm employees and
39 [six] twelve hundred dollars.

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

44 § 5. This act shall take effect immediately and shall apply only to
45 taxable years beginning on or after January 1, 2017 and before January
46 1, [2025] 2026.

47 § 3. This act shall take effect immediately.

48

SUBPART C

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



1 (f) A taxpayer claiming the credit allowed under this section shall
2 not be allowed to claim any other tax credit allowed under this chapter,
3 except the credit allowed under section forty-two-a of this article,
4 with respect to any eligible farm employee included in the total number
5 of eligible farm employees used to determine the amount of the credit
6 allowed under this section.

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

9 § 42-a. Farm employer overtime credit. (a) Notwithstanding subdivision
10 (f) of section forty-two of this article, a taxpayer that is a farm
11 employer or an owner of a farm employer shall be eligible for a credit
12 against the tax imposed under article nine-A or twenty-two of this chap-
13 ter, pursuant to the provisions referenced in subdivision (h) of this
14 section.

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

18 (c) For purposes of this section, the term "eligible farmer" means a
19 taxpayer whose federal gross income from farming as defined in
20 subsection (n) of section six hundred six of this chapter for the taxa-
21 ble year is at least two-thirds of excess federal gross income. Excess
22 federal gross income means the amount of federal gross income from all
23 sources for the taxable year in excess of thirty thousand dollars. For
24 purposes of this section, payments from the state's farmland protection
25 program, administered by the department of agriculture and markets,
26 shall be included as federal gross income from farming for otherwise
27 eligible farmers.

28 (d) An eligible farm employee is an individual who meets the defi-
29 inition of a "farm laborer" under section two of the labor law who is
30 employed by a farm employer in New York state, but excluding general
31 executive officers of the farm employer.

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

38 (f) Special rules. If more than fifty percent of such eligible farm-
39 er's federal gross income from farming is from the sale of wine from a
40 licensed farm winery as provided for in article six of the alcoholic
41 beverage control law, or from the sale of cider from a licensed farm
42 cider as provided for in section fifty-eight-c of the alcoholic bever-
43 age control law, then an eligible farm employee of such eligible farmer
44 shall be included for purposes of calculating the amount of credit
45 allowed under this section only if such eligible farm employee is
46 employed by such eligible farmer on qualified agricultural property as
47 defined in paragraph four of subsection (n) of section six hundred six
48 of this chapter.

49 (g) The amount of the credit allowed under this section shall be equal
50 to the aggregate amount of such credit allowed per eligible farm employ-
51 ee, as follows. The amount of the credit allowed per eligible farm
52 employee shall be equal to the product of (i) the eligible overtime
53 worked during the taxable year by the eligible farm employee and (ii)
54 the overtime rate paid by the farm employer to the eligible farm employ-
55 ee less such employee's regular rate of pay plus any related fringe
56 benefit costs.

1 (h) Advance payment option. (1) For taxable years beginning on or
 2 after January first, two thousand twenty-two and thereafter, a taxpayer
 3 may choose to use any one or more of quarterly periods (July thirty-
 4 first, October thirty-first, January thirty-first or April thirtieth) as
 5 the date to calculate their overtime credit based on the eligible over-
 6 time threshold ending such date to the extent the overtime rate was paid
 7 to eligible employees, as determined by subdivisions (e) and (g) of this
 8 section.

9 (2) A taxpayer shall be required to submit the form prescribed by the
 10 commissioner, attesting the eligibility of tax credit to the commission-
 11 er.

12 (3) A taxpayer must submit such request no later than twenty days
 13 immediately following the end of each quarterly period to receive
 14 advance payment. For those taxpayers who have requested an advance
 15 payment and for whom the commissioner has determined eligible for this
 16 credit, the commissioner shall advance a payment of the tax credit
 17 allowed to the taxpayer as soon as practicable. The remainder of the
 18 credit, if any, shall be reconciled upon filing tax returns due for the
 19 taxable year.

20 (i) Cross references: For application of the credit provided in this
 21 section, see the following provisions of this chapter:

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

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

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

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

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

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

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

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

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

52 (2) Application of credit. If the amount of credit allowed under this
 53 subsection for any taxable year exceeds the taxpayer's tax for such
 54 year, the excess shall be treated as an overpayment of tax to be credit-
 55 ed or refunded in accordance with the provision of section six hundred

1 eighty-six of this article, provided, however, that no interest shall be
2 paid thereon.

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

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

8 PART C

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

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

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

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

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

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

50 (C) To qualify for this modification in relation to a non-farm small
51 business that is a limited liability company, partnership, or New York S
52 corporation, the taxpayer's income attributable to the net business
53 income from its ownership interests in non-farm limited liability compa-

1 nies, partnerships, or New York S corporations must be less than two
2 hundred fifty thousand dollars.

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

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

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

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

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

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

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

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

52

PART D

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

1 (46) The amount of any student loan forgiveness award made by the
2 state, including any awards made pursuant to a program established under
3 article fourteen of the education law, to the extent included in federal
4 adjusted gross income.

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

7

PART E

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

10

ARTICLE 26

11

COVID-19 CAPITAL COSTS TAX CREDIT PROGRAM

12

Section 480. Short title.

13

481. Statement of legislative findings and declaration.

14

482. Definitions.

15

483. Eligibility criteria.

16

484. Application and approval process.

17

485. COVID-19 capital costs tax credit.

18

486. Powers and duties of the commissioner.

19

487. Maintenance of records.

20

488. Reporting.

21

489. Cap on tax credit.

22

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

25

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

35

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

37

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

44

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

47

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

49

50 4. "Qualified COVID-19 capital costs" shall mean costs incurred from
51 January first, two thousand twenty-one through December thirty-first,
52 two thousand twenty-two at a business location in New York state to
53 comply with public health or other emergency orders or regulations
54 related to the COVID-19 pandemic, or to generally increase safety
through infectious disease mitigation, including costs for: (i) supplies
to disinfect and/or protect against COVID-19 transmission; (ii) restock-
ing of perishable goods to replace those lost during the COVID-19
pandemic; (iii) physical barriers and sneeze guards; (iv) hand sanitizer
stations; (v) respiratory devices such as air purifier systems installed
at the business entity's location; (vi) signage related to the COVID-19
pandemic including, but not limited to, signage detailing vaccine and



1 masking requirements, and social distancing; (vii) materials required to
2 define and/or protect space such as barriers; (viii) materials needed to
3 block off certain seats to allow for social distancing; (ix) certain
4 point of sale payment equipment to allow for contactless payment; (x)
5 equipment and/or materials and supplies for new product lines in
6 response to the COVID-19 pandemic; (xi) software for online payment
7 platforms to enable delivery or contactless purchases; (xii) building
8 construction and retrofits to accommodate social distancing and instal-
9 lation of air purifying equipment but not for costs for non-COVID-19
10 pandemic related capital renovations or general "closed for renovations"
11 upgrades; (xiii) machinery and equipment to accommodate contactless
12 sales; (xiv) materials to accommodate increased outdoor activity such as
13 heat lamps, outdoor lighting, and materials related to outdoor space
14 expansions; and (xv) other costs as determined by the department to be
15 eligible under this section; provided, however, that "qualified COVID-19
16 capital costs" do not include any cost paid for with other COVID-19
17 grant funds as determined by the commissioner.

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

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

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

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

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

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

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

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

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

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

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

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

54 3. After reviewing a business entity's completed final application and
55 determining that the business entity meets the eligibility criteria as

1 set forth in this article, the department may issue to that business
2 entity a certificate of tax credit.

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

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

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

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

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

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

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

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

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

42 § 488. Reporting. Each business entity participating in this program
43 shall submit a performance report to the department at a time prescribed
44 in regulations by the commissioner. The commissioner shall on or before
45 April first, two thousand twenty-three and every quarter thereafter,
46 until program funds are fully expended, submit a report to the governor,
47 the temporary president of the senate, the speaker of the assembly, the
48 chair of the senate finance committee, and the chair of the assembly
49 ways and means committee, setting forth the activities undertaken by the
50 program. Such report shall include, but not necessarily be limited to,
51 the following in each reporting period: total number of participants
52 approved and the economic development region in which the business is
53 located; total amount of payments disbursed and tax credits claimed, and
54 average amount of payments disbursed and tax credits claimed; names of
55 payment recipients and tax credits claimed; and such other information
56 as the commissioner determines necessary and appropriate to effectuate



1 the purpose of the program. Such reports shall, at the same time, be
2 included on the department's website and any other publicly accessible
3 database that lists economic development programs as determined by the
4 department.

5 § 489. Cap on tax credit. The total amount of tax credits listed on
6 certificates of tax credit issued by the commissioner pursuant to this
7 article may not exceed two hundred fifty million dollars.

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

10 § 47. COVID-19 capital costs tax credit. (a) Allowance of credit. A
11 taxpayer subject to tax under article nine-A or twenty-two of this chap-
12 ter shall be allowed a credit against such tax, pursuant to the
13 provisions referenced in subdivision (f) of this section. The amount of
14 the credit is equal to the amount determined pursuant to section four
15 hundred eighty-five of the economic development law. No cost or expense
16 paid or incurred by the taxpayer which is included as part of the calcu-
17 lation of this credit shall be the basis of any other tax credit allowed
18 under this chapter.

19 (b) Eligibility. To be eligible for the COVID-19 capital costs tax
20 credit, the taxpayer shall have been issued a certificate of tax credit
21 by the department of economic development pursuant to subdivision three
22 of section four hundred eighty-four of the economic development law,
23 which certificate shall set forth the amount of the credit that may be
24 claimed for the taxable year. The taxpayer shall be allowed to claim
25 only the amount listed on the certificate of tax credit for that taxable
26 year. A taxpayer that is a partner in a partnership, member of a limited
27 liability company or shareholder in a subchapter S corporation that has
28 received a certificate of tax credit shall be allowed its pro rata share
29 of the credit earned by the partnership, limited liability company or
30 subchapter S corporation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

41 § 6. This act shall take effect immediately.

42

PART F

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

46 (2) The amount of the credit shall be the product (or pro rata share
 47 of the product, in the case of a member of a partnership) of twenty-five
 48 percent and the sum of the qualified production expenditures paid for
 49 during the qualified New York city musical and theatrical production's
 50 credit period. Provided however that the amount of the credit cannot
 51 exceed three million dollars per qualified New York city musical and
 52 theatrical production for productions whose first performance is [during
 53 the first year in which applications are accepted] prior to January
 54 first, two thousand twenty-three. For productions whose first perform-

1 ance is [during the second year in which applications are accepted] on
2 or after January first, two thousand twenty-three, such cap shall
3 decrease to one million five hundred thousand dollars per qualified New
4 York city musical and theatrical production unless the New York city
5 tourism economy has not sufficiently recovered, as determined by the
6 department of economic development in consultation with the division of
7 the budget. In determining whether the New York city tourism economy has
8 sufficiently recovered, the department of economic development will
9 perform an analysis of key New York city economic indicators which shall
10 include, but not be limited to, hotel occupancy rates and travel
11 metrics. The department of economic development's analysis shall also be
12 informed by the status of any remaining COVID-19 restrictions affecting
13 New York city musical and theatrical productions. In no event shall a
14 qualified New York city musical and theatrical production be eligible
15 for more than one credit under this program.

16 § 2. Section 24-c of the tax law is amended by adding a new subdivi-
17 sion (h) to read as follows:

18 (h) Recapture. In addition to any other requirements under this
19 section, any qualified New York city musical and theatrical production
20 company that performs in a qualified New York city production facility
21 and applied to receive a credit under this section shall be required:

22 (1) to have extended an offer of re-employment to all employees at
23 substantially similar rates of pay and benefits to such rates and bene-
24 fits that were previously provided during the first week of March, two
25 thousand twenty if such production was performed prior to March twelfth,
26 two thousand twenty; or (2) if such production was not performed in a
27 qualified New York city production facility prior to March twelfth, two
28 thousand twenty, such production company shall provide all employees
29 providing services for such production with no less than the terms and
30 conditions of employment, including rates of pay and benefits, that were
31 provided to employees for similar work during the first week of March,
32 two thousand twenty. If such production company has failed and/or fails
33 to extend substantially similar terms and conditions to all employees
34 providing services, the credit allowed under paragraph two of subdivi-
35 sion (a) of this section shall be reduced by a fraction which shall be
36 computed as follows: the numerator is the number of employees who have
37 not received the similar terms and conditions at any time during the
38 credit period under paragraph four of subdivision (b) and the denomina-
39 tor is the total number of employees providing such services during such
40 period.

41 § 3. Subparagraph (i) of paragraph 5 of subdivision (b) of section
42 24-c of the tax law, as added by section 1 of subpart B of part PP of
43 chapter 59 of the laws of 2021, is amended to read as follows:

44 (i) "The credit period of a qualified New York city musical and theat-
45 rical production company" is the period starting on the production start
46 date and ending on the earlier of the date the qualified musical and
47 theatrical production has expended sufficient qualified production
48 expenditures to reach its credit cap, [March thirty-first] September
49 thirtieth, two thousand twenty-three or the date the qualified musical
50 and theatrical production closes.

51 § 4. Paragraph 1 of subdivision (f) of section 24-c of the tax law, as
52 added by section 1 of subpart B of part PP of chapter 59 of the laws of
53 2021, is amended to read as follows:

54 (1) The aggregate amount of tax credits allowed under this section,
55 subdivision fifty-seven of section two hundred ten-B and subsection
56 (mmm) of section six hundred six of this chapter shall be [one] two

1 hundred million dollars. Such aggregate amount of credits shall be allo-
2 cated by the department of economic development among taxpayers based on
3 the date of first performance of the qualified musical and theatrical
4 production.

5 § 5. Paragraph 2 of subdivision (f) of section 24-c of the tax law, as
6 added by section 1 of subpart B of part PP of chapter 59 of the laws of
7 2021, is amended to read as follows:

8 (2) The commissioner of economic development, after consulting with
9 the commissioner, shall promulgate regulations to establish procedures
10 for the allocation of tax credits as required by this section. Such
11 rules and regulations shall include provisions describing the applica-
12 tion process, the due dates for such applications, the standards that
13 will be used to evaluate the applications, the documentation that will
14 be provided by applicants to substantiate to the department the amount
15 of qualified production expenditures of such applicants, and such other
16 provisions as deemed necessary and appropriate. Notwithstanding any
17 other provisions to the contrary in the state administrative procedure
18 act, such rules and regulations may be adopted on an emergency basis. In
19 no event shall a qualified New York city musical and theatrical
20 production submit an application for this program after [December thir-
21 ty-first, two thousand twenty-two] June thirtieth, two thousand twenty-
22 three.

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

26 (g) Any qualified New York city musical and theatrical production
27 company that performs in a qualified New York city production facility
28 and applies to receive a credit under this section shall be required to:
29 (1) participate in a New York state diversity and arts job training
30 program; (2) create and implement a plan to ensure that their production
31 is available and accessible for low-or no-cost to low income New York-
32 ers; and (3) contribute to the New York state council on the arts,
33 cultural program fund an amount up to fifty percent of the total credits
34 received if its production earns ongoing revenue prospectively after the
35 end of the credit period that is at least equal to two hundred percent
36 of its ongoing production costs, with such amount payable from twenty-
37 five percent of net operating profits, such amounts payable on a monthly
38 basis, up until such fifty percent of the total credit amount is
39 reached. Any funds deposited pursuant to this subdivision may be used
40 for arts and cultural educational and workforce development grant
41 programs of the New York state council on the arts.

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

45 5. The moneys in such fund shall be expended for the purpose of
46 supplementing art and cultural grant programs of the New York state
47 council on the arts for secondary and elementary children, including
48 programs that increase access to art and cultural programs and events
49 for children in underserved communities.

50 § 8. Section 6 of subpart B of part PP of chapter 59 of the laws of
51 2021 amending the tax law and the state finance law relating to estab-
52 lishing the New York city musical and theatrical production tax credit
53 and establishing the New York state council on the arts cultural program
54 fund, is amended to read as follows:

55 § 6. This act shall take effect immediately and shall apply to taxable
56 years beginning on or after January 1, 2021, and before January 1, 2024

1 and shall expire and be deemed repealed [on] January 1, 2024; provided,
2 however that the obligations under paragraph 3 of subdivision [g] (g) of
3 section 24-c of the tax law, as added by section one of this act, shall
4 remain in effect until December 31, 2025.

5 § 9. This act shall take effect immediately; provided that the amend-
6 ments to section 24-c of the tax law and section 99-11 of the state
7 finance law made by sections one, two, three, four, five, six, and seven
8 of this act shall not affect the repeal of such sections and shall be
9 deemed repealed therewith.

10

PART G

11 Section 1. Paragraph (a) of subdivision 1 of section 209-b of the tax
12 law, as amended by section 7 of part A of chapter 59 of the laws of
13 2014, is amended to read as follows:

14 (a) For the privilege of exercising its corporate franchise, or of
15 doing business, or of employing capital, or of owning or leasing proper-
16 ty in a corporate or organized capacity, or of maintaining an office, or
17 of deriving receipts from activity in the metropolitan commuter trans-
18 portation district, for all or any part of its taxable year, there is
19 hereby imposed on every corporation, other than a New York S corpo-
20 ration, subject to tax under section two hundred nine of this article,
21 or any receiver, referee, trustee, assignee or other fiduciary, or any
22 officer or agent appointed by any court, who conducts the business of
23 any such corporation, a tax surcharge, in addition to the tax imposed
24 under section two hundred nine of this article, to be computed at the
25 rate of seventeen percent of the tax imposed under such section for such
26 taxable years or any part of such taxable years ending on or after
27 December thirty-first, nineteen hundred eighty-three and before January
28 first, two thousand fifteen after the deduction of any credits otherwise
29 allowable under this article, at the rate of twenty-five and six-tenths
30 percent of the tax imposed under such section for taxable years begin-
31 ning on or after January first, two thousand fifteen and before January
32 first, two thousand sixteen before the deduction of any credits other-
33 wise allowable under this article, [and] at the rate determined by the
34 commissioner pursuant to paragraph (f) of this subdivision of the tax
35 imposed under such section, for taxable years beginning on or after
36 January first, two thousand sixteen and before January first, two thou-
37 sand twenty-three before the deduction of any credits otherwise allow-
38 able under this article, and at the rate of no less than thirty percent
39 of the tax imposed under such section for taxable years beginning on or
40 after January first, two thousand twenty-three before the deduction of
41 any credits otherwise allowable under this article. However, such rate
42 of tax surcharge shall be applied only to that portion of the tax
43 imposed under section two hundred nine of this article before the
44 deduction of any credits otherwise allowable under this article which is
45 attributable to the taxpayer's business activity carried on within the
46 metropolitan commuter transportation district; and provided, further,
47 the surcharge computed on a combined report shall include a surcharge on
48 the fixed dollar minimum tax for each member of the combined group
49 subject to the surcharge under this subdivision.

50 § 2. This act shall take effect immediately.

51

PART H

1 Section 1. Paragraphs (a), (b) and (d) of subdivision 29 of section
2 210-B of the tax law, paragraph (a) and subparagraph 2 of paragraph (b)
3 as amended by section 1 of part II of chapter 59 of the laws of 2021,
4 paragraph (b) as amended by section 1 of part Q of chapter 59 of the
5 laws of 2018, subparagraph 1 of paragraph (b) as amended by chapter 490
6 of the laws of 2019 and paragraph (d) as added by section 17 of part A
7 of chapter 59 of the laws of 2014, are amended to read as follows:

8 (a) Allowance of credit. For taxable years beginning on or after Janu-
9 ary first, two thousand fifteen and before January first, two thousand
10 [twenty-three] ~~twenty-six~~, a taxpayer shall be allowed a credit, to be
11 computed as provided in this subdivision, against the tax imposed by
12 this article, for hiring and employing, for not less than [one year and
13 for not less than thirty-five hours each week] twelve continuous and
14 uninterrupted months (hereinafter referred to as the twelve-month peri-
15 od) in a full-time or part-time position, a qualified veteran within the
16 state. The taxpayer may claim the credit in the year in which the qual-
17 ified veteran completes [one year] the twelve-month period of employ-
18 ment by the taxpayer. If the taxpayer claims the credit allowed under this
19 subdivision, the taxpayer may not use the hiring of a qualified veteran
20 that is the basis for this credit in the basis of any other credit
21 allowed under this article.

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

23 (1) who served on active duty in the United States army, navy, air
24 force, space force, marine corps, coast guard or the reserves thereof,
25 or who served in active military service of the United States as a
26 member of the army national guard, air national guard, New York guard or
27 New York naval militia, or who served in the active uniformed services
28 of the United States as a member of the commissioned corps of the
29 national oceanic and atmospheric administration or the commissioned
30 corps of the United States public health service; who (i) was released
31 from active duty by general or honorable discharge [after September
32 eleventh, two thousand one], or (ii) has a qualifying condition, as
33 defined in section three hundred fifty of the executive law, and has
34 received a discharge other than bad conduct or dishonorable from such
35 service [after September eleventh, two thousand one], or (iii) is a
36 discharged LGBT veteran, as defined in section three hundred fifty of
37 the executive law, and has received a discharge other than bad conduct
38 or dishonorable from such service [after September eleventh, two thou-
39 sand one];

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

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

47 (d) Amount of credit. The amount of the credit shall be [ten] fifteen
48 percent of the total amount of wages paid to the qualified veteran
49 during the veteran's first [full year] twelve-month period of employ-
50 ment. Provided, however, that, if the qualified veteran is a disabled
51 veteran, as defined in paragraph (b) of subdivision one of section
52 eighty-five of the civil service law, the amount of the credit shall be
53 [fifteen] twenty percent of the total amount of wages paid to the quali-
54 fied veteran during the veteran's first [full year] twelve-month period
55 of employment. The credit allowed pursuant to this subdivision shall not
56 exceed in any taxable year, [five] fifteen thousand dollars for any

1 qualified veteran [and fifteen] employed in a full-time position for one
2 thousand eight hundred twenty or more hours in one twelve-month period,
3 twenty thousand dollars for any qualified veteran who is a disabled
4 veteran employed in a full-time position for one thousand eight hundred
5 twenty or more hours in one twelve-month period, seven thousand five
6 hundred dollars for any qualified veteran employed in a part-time posi-
7 tion for at least one thousand forty hours but not more than one thou-
8 sand eight hundred nineteen hours in one twelve-month period, and ten
9 thousand dollars for any qualified veteran who is a disabled veteran
10 employed in a part-time position for at least one thousand forty hours
11 but not more than one thousand eight hundred nineteen hours in one
12 twelve-month period.

13 § 2. Paragraphs 1, 2 and 4 of subsection (a-2) of section 606 of the
14 tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by
15 section 2 of part II of chapter 59 of the laws of 2021, paragraph 2 as
16 amended by section 2 of part Q of chapter 59 of the laws of 2018,
17 subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of
18 2019 and paragraph 4 as added by section 3 of part AA of chapter 59 of
19 the laws of 2013, are amended to read as follows:

20 (1) Allowance of credit. For taxable years beginning on or after Janu-
21 ary first, two thousand fifteen and before January first, two thousand
22 [twenty-three] twenty-six, a taxpayer shall be allowed a credit, to be
23 computed as provided in this subsection, against the tax imposed by this
24 article, for hiring and employing, for not less than [one year and for
25 not less than thirty-five hours each week] twelve continuous and unin-
26 terrupted months (hereinafter referred to as the twelve-month period) in
27 a full-time or part-time position, a qualified veteran within the state.
28 The taxpayer may claim the credit in the year in which the qualified
29 veteran completes [one year] the twelve-month period of employment by
30 the taxpayer. If the taxpayer claims the credit allowed under this
31 subsection, the taxpayer may not use the hiring of a qualified veteran
32 that is the basis for this credit in the basis of any other credit
33 allowed under this article.

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

35 (A) who served on active duty in the United States army, navy, air
36 force, space force, marine corps, coast guard or the reserves thereof,
37 or who served in active military service of the United States as a
38 member of the army national guard, air national guard, New York guard or
39 New York naval militia, or who served in the active uniformed services
40 of the United States as a member of the commissioned corps of the
41 national oceanic and atmospheric administration or the commissioned
42 corps of the United States public health service; who (i) was released
43 from active duty by general or honorable discharge [after September
44 eleventh, two thousand one], or (ii) has a qualifying condition, as
45 defined in section three hundred fifty of the executive law, and has
46 received a discharge other than bad conduct or dishonorable from such
47 service [after September eleventh, two thousand one], or (iii) is a
48 discharged LGBT veteran, as defined in section three hundred fifty of
49 the executive law, and has received a discharge other than bad conduct
50 or dishonorable from such service [after September eleventh, two thou-
51 sand one];

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

55 (C) who certifies by signed affidavit, under penalty of perjury, that
56 he or she has not been employed for thirty-five or more hours during any

1 week in the one hundred eighty day period immediately prior to his or
2 her employment by the taxpayer.

3 (4) Amount of credit. The amount of the credit shall be [ten] fifteen
4 percent of the total amount of wages paid to [he] the qualified veteran
5 during the veteran's first [full year] twelve-month period of employ-
6 ment. Provided, however, that, if the qualified veteran is a disabled
7 veteran, as defined in paragraph (b) of subdivision one of section
8 eighty-five of the civil service law, the amount of the credit shall be
9 [fifteen] twenty percent of the total amount of wages paid to the quali-
10 fied veteran during the veteran's first [full year] twelve-month period
11 of employment. The credit allowed pursuant to this subsection shall not
12 exceed in any taxable year, [five] fifteen thousand dollars for any
13 qualified veteran [and fifteen] employed in a full-time position for one
14 thousand eight hundred twenty or more hours in one twelve-month period,
15 twenty thousand dollars for any qualified veteran who is a disabled
16 veteran employed in a full-time position for one thousand eight hundred
17 twenty or more hours in one twelve-month period, seven thousand five
18 hundred dollars for any qualified veteran employed in a part-time posi-
19 tion for at least one thousand forty hours but not more than one thou-
20 sand eight hundred nineteen hours in one twelve-month period, and ten
21 thousand dollars for any qualified veteran who is a disabled veteran
22 employed in a part-time position for at least one thousand forty hours
23 but not more than one thousand eight hundred nineteen hours in one
24 twelve-month period.

25 § 3. Paragraphs 1, 2 and 4 of subdivision (g-1) of section 1511 of the
26 tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by
27 section 3 of part II of chapter 59 of the laws of 2021, paragraph 2 as
28 amended by section 3 of part Q of chapter 59 of the laws of 2018,
29 subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of
30 2019 and paragraph 4 as added by section 5 of part AA of chapter 59 of
31 the laws of 2013, are amended to read as follows:

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

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

47 (A) who served on active duty in the United States army, navy, air
48 force, space force, marine corps, coast guard or the reserves thereof,
49 or who served in active military service of the United States as a
50 member of the army national guard, air national guard, New York guard or
51 New York naval militia, or who served in the active uniformed services
52 of the United States as a member of the commissioned corps of the
53 national oceanic and atmospheric administration or the commissioned
54 corps of the United States public health service; who (i) was released
55 from active duty by general or honorable discharge [after September
56 eleventh, two thousand one], or (ii) has a qualifying condition, as

1 defined in section three hundred fifty of the executive law, and has
2 received a discharge other than bad conduct or dishonorable from such
3 service [after September eleventh, two thousand one], or (iii) is a
4 discharged LGBT veteran, as defined in section three hundred fifty of
5 the executive law, and has received a discharge other than bad conduct
6 or dishonorable from such service [after September eleventh, two thou-
7 sand one];

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

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

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

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

39

PART I

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

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

52 (2) A taxpayer that is a partner in a partnership, member of a limited
53 liability company or shareholder in a subchapter S corporation shall be
54 allowed its pro rata share of the credit earned by the partnership,

1 limited liability company or subchapter S corporation that meets the
2 eligibility criteria described in subdivision (b) of this section to
3 claim a grade no. 6 heating oil conversion tax credit. In no event may
4 the total amount of the credit earned by the partnership, limited
5 liability company or subchapter S corporation exceed five hundred thou-
6 sand dollars for all buildings located in a municipality.

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

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

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

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

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

21 (iv) be in compliance with all environmental conservation laws and
22 regulations; and

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

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

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

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

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

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

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

48 (e) Information sharing. The department, the department of environ-
49 mental conservation and the New York state energy research and develop-
50 ment authority shall be allowed and are directed to share and exchange
51 information regarding the information contained on the credit applica-
52 tion for claiming the grade no. 6 heating oil conversion tax credit and
53 such information exchanged between the department, the department of
54 environmental conservation and the New York state energy research and
55 development authority shall not be subject to disclosure or inspection
56 under the state's freedom of information law.

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

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

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

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

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

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

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

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

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

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

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

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

43

PART J

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

47 4. Statewide limitation. The aggregate dollar amount of credit which
 48 the commissioner may allocate to eligible low-income buildings under
 49 this article shall be one hundred [twenty] twenty-seven million dollars.
 50 The limitation provided by this subdivision applies only to allocation
 51 of the aggregate dollar amount of credit by the commissioner, and does
 52 not apply to allowance to a taxpayer of the credit with respect to an
 53 eligible low-income building for each year of the credit period.



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

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

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

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

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

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

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

36

PART K

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

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

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

53 (1) A taxpayer shall be allowed a credit against the tax imposed by
54 this article. Such credit, to be computed as hereinafter provided, shall

1 be allowed for bioheating fuel, used for space heating or hot water
2 production for residential purposes within this state and purchased on
3 or after July first, two thousand six and before July first, two thou-
4 sand seven and on or after January first, two thousand eight and before
5 January first, two thousand [twenty-three] twenty-six. Such credit shall
6 be \$0.01 per percent of biodiesel per gallon of bioheating fuel, not to
7 exceed twenty cents per gallon, purchased by such taxpayer. Provided,
8 however, that on or after January first, two thousand seventeen, this
9 credit shall not apply to bioheating fuel that is less than six percent
10 biodiesel per gallon of bioheating fuel.
11 § 3. This act shall take effect immediately.

12

PART L

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

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

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

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

40 § 3. This act shall take effect immediately.

41

PART M

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

45 (4) (i) Notwithstanding the foregoing provisions of this subdivision,
46 a qualified film production company or qualified independent film
47 production company, that has applied for credit under the provisions of
48 this section, agrees as a condition for the granting of the credit:
49 [(i)] (A) to include in each qualified film distributed by DVD, or other
50 media for the secondary market, a New York promotional video approved by
51 the governor's office of motion picture and television development or to
52 include in the end credits of each qualified film "Filmed With the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19

PART N

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

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

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

53 (4) For programs six, seven, eight, nine [and], ten, eleven, twelve,
54 thirteen, fourteen, and fifteen the tax credit under each program shall



1 be allocated as follows: (i) twenty million dollars of tax credit for
2 qualified employees; and (ii) twenty million dollars of tax credit for
3 individuals who meet all of the requirements for a qualified employee
4 except for the residency requirement of subparagraph (ii) of paragraph
5 two of this subdivision, which individuals shall be deemed to meet the
6 residency requirements of subparagraph (ii) of paragraph two of this
7 subdivision if they reside in New York state.

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

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



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

15

PART O

16 Section 1. Subdivision (a) of section 25-c of the labor law, as added
17 by section 1 of subpart B of part N of chapter 59 of the laws of 2017,
18 is amended to read as follows:
19 (a) The commissioner is authorized to establish and administer the
20 empire state apprenticeship tax credit program to provide tax incentives
21 to certified employers for employing qualified apprentices pursuant to
22 an apprenticeship agreement registered with the department pursuant to
23 paragraph (d) of subdivision one of section eight hundred eleven of this
24 chapter. The commissioner is authorized to allocate up to ten million
25 dollars of tax credits annually, beginning in two thousand eighteen and
26 ending before two thousand [twenty-three] twenty-eight. Any unused annu-
27 al allocation of the credit shall be made available in each of the
28 subsequent years before two thousand [twenty-three] twenty-eight.
29 § 2. This act shall take effect immediately.

30

PART P

31 Section 1. Subdivision 6 of section 187-b of the tax law, as amended
32 by section 1 of part O of chapter 59 of the laws of 2017, is amended to
33 read as follows:
34 6. Termination. The credit allowed by subdivision two of this section
35 shall not apply in taxable years beginning after December thirty-first,
36 two thousand [twenty-two] twenty-seven.
37 § 2. Paragraph (f) of subdivision 30 of section 210-B of the tax law,
38 as amended by section 2 of part O of chapter 59 of the laws of 2017, is
39 amended to read as follows:
40 (f) Termination. The credit allowed by paragraph (b) of this subdivi-
41 sion shall not apply in taxable years beginning after December thirty-
42 first, two thousand [twenty-two] twenty-seven.
43 § 3. Paragraph 6 of subsection (p) of section 606 of the tax law, as
44 amended by section 3 of part O of chapter 59 of the laws of 2017, is
45 amended to read as follows:
46 (6) Termination. The credit allowed by this subsection shall not apply
47 in taxable years beginning after December thirty-first, two thousand
48 [twenty-two] twenty-seven.
49 § 4. This act shall take effect immediately.

50

PART Q

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

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

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

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

13 § 3. This act shall take effect immediately.

14 PART R

15 Intentionally Omitted

16 PART S

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

20 (i) A credit shall be allowed under this subdivision with respect to
21 tangible personal property and other tangible property, including build-
22 ings and structural components of buildings, which are: depreciable
23 pursuant to section one hundred sixty-seven of the internal revenue
24 code, have a useful life of four years or more, are acquired by purchase
25 as defined in section one hundred seventy-nine (d) of the internal
26 revenue code, have a situs in this state and are (A) principally used by
27 the taxpayer in the production of goods by manufacturing, processing,
28 assembling, refining, mining, extracting, farming, agriculture, horti-
29 culture, floriculture, viticulture or commercial fishing, (B) industrial
30 waste treatment facilities or air pollution control facilities, used in
31 the taxpayer's trade or business, (C) research and development property,
32 or (D) principally used in the ordinary course of the taxpayer's trade
33 or business as a broker or dealer in connection with the purchase or
34 sale (which shall include but not be limited to the issuance, entering
35 into, assumption, offset, assignment, termination, or transfer) of
36 stocks, bonds or other securities as defined in section four hundred
37 seventy-five (c)(2) of the Internal Revenue Code, or of commodities as
38 defined in section four hundred seventy-five (e) of the Internal Revenue
39 Code, (E) principally used in the ordinary course of the taxpayer's
40 trade or business of providing investment advisory services for a regu-
41 lated investment company as defined in section eight hundred fifty-one
42 of the Internal Revenue Code, or lending, loan arrangement or loan orig-
43 ination services to customers in connection with the purchase or sale
44 (which shall include but not be limited to the issuance, entering into,
45 assumption, offset, assignment, termination, or transfer) of securities
46 as defined in section four hundred seventy-five (c)(2) of the Internal
47 Revenue Code, (F) principally used in the ordinary course of the taxpay-
48 er's business as an exchange registered as a national securities
49 exchange within the meaning of sections 3(a)(1) and 6(a) of the Securi-
50 ties Exchange Act of 1934 or a board of trade as defined in subparagraph
51 one of paragraph (a) of section fourteen hundred ten of the not-for-pro-



1 fit corporation law or as an entity that is wholly owned by one or more
2 such national securities exchanges or boards of trade and that provides
3 automation or technical services thereto, or (G) principally used as a
4 qualified film production facility including qualified film production
5 facilities having a situs in an empire zone designated as such pursuant
6 to article eighteen-B of the general municipal law, where the taxpayer
7 is providing three or more services to any qualified film production
8 company using the facility, including such services as a studio lighting
9 grid, lighting and grip equipment, multi-line phone service, broadband
10 information technology access, industrial scale electrical capacity,
11 food services, security services, and heating, ventilation and air
12 conditioning. For purposes of clauses (D), (E) and (F) of this subpara-
13 graph, property purchased by a taxpayer affiliated with a regulated
14 broker, dealer, registered investment advisor, national securities
15 exchange or board of trade, is allowed a credit under this subdivision
16 if the property is used by its affiliated regulated broker, dealer,
17 registered investment advisor, national securities exchange or board of
18 trade in accordance with this subdivision. For purposes of determining
19 if the property is principally used in qualifying uses, the uses by the
20 taxpayer described in clauses (D) and (E) of this subparagraph may be
21 aggregated. In addition, the uses by the taxpayer, its affiliated regu-
22 lated broker, dealer and registered investment advisor under either or
23 both of those clauses may be aggregated. Provided, however, a taxpayer
24 shall not be allowed the credit provided by clauses (D), (E) and (F) of
25 this subparagraph unless the property is first placed in service before
26 October first, two thousand fifteen and (i) eighty percent or more of
27 the employees performing the administrative and support functions
28 resulting from or related to the qualifying uses of such equipment are
29 located in this state or (ii) the average number of employees that
30 perform the administrative and support functions resulting from or
31 related to the qualifying uses of such equipment and are located in this
32 state during the taxable year for which the credit is claimed is equal
33 to or greater than ninety-five percent of the average number of employ-
34 ees that perform these functions and are located in this state during
35 the thirty-six months immediately preceding the year for which the cred-
36 it is claimed, or (iii) the number of employees located in this state
37 during the taxable year for which the credit is claimed is equal to or
38 greater than ninety percent of the number of employees located in this
39 state on December thirty-first, nineteen hundred ninety-eight or, if the
40 taxpayer was not a calendar year taxpayer in nineteen hundred ninety-
41 eight, the last day of its first taxable year ending after December
42 thirty-first, nineteen hundred ninety-eight. If the taxpayer becomes
43 subject to tax in this state after the taxable year beginning in nine-
44 teen hundred ninety-eight, then the taxpayer is not required to satisfy
45 the employment test provided in the preceding sentence of this subpara-
46 graph for its first taxable year. For purposes of clause (iii) of this
47 subparagraph the employment test will be based on the number of employ-
48 ees located in this state on the last day of the first taxable year the
49 taxpayer is subject to tax in this state. If the uses of the property
50 must be aggregated to determine whether the property is principally used
51 in qualifying uses, then either each affiliate using the property must
52 satisfy this employment test or this employment test must be satisfied
53 through the aggregation of the employees of the taxpayer, its affiliated
54 regulated broker, dealer, and registered investment advisor using the
55 property. For purposes of clause (A) of this subparagraph, tangible
56 personal property and other tangible property shall not include property

1 principally used by the taxpayer (I) in the production or distribution
2 of electricity, natural gas after extraction from wells, steam, or water
3 delivered through pipes and mains, or (II) in the creation, production
4 or reproduction, in any medium, of any audio or visual recording,
5 including but not limited to films, television shows, commercials, and
6 musical recordings, or in the duplication, for purposes of broadcast in
7 any medium, of a master of any audio or visual recording, including but
8 not limited to films, television shows, commercials, and musical
9 recordings.

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

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

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

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

45 PART T

46 Intentionally Omitted

47 PART U

48 Intentionally Omitted

49 PART V

1

Intentionally Omitted

2

PART W

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

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

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

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

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

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

1 § 4. This act shall take effect immediately.

2

PART X

3 Section 1. Paragraph (c) of subdivision 1 of section 1701 of the tax
4 law, as added by section 1 of part CC-1 of chapter 57 of the laws of
5 2008, is amended to read as follows:

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

11 § 2. This act shall take effect immediately.

12

PART Y

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

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

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

31 4. Any final determination of an assessment ceiling by the commission-
32 er pursuant to subdivision one of this section shall be subject to judi-
33 cial challenge by an owner of local public utility mass real property or
34 a local assessing jurisdiction in a proceeding under article seven of
35 this chapter; provided however, the time to commence such proceeding
36 shall be within sixty days of the issuance of the final assessment ceil-
37 ing certificate and all questions of fact and law shall be determined de
38 novo. Any judicial proceeding shall be commenced in the supreme court in
39 the county of Albany or the county agreed upon by the parties in which
40 the local public utility mass real property is located. Nothing in this
41 section shall preclude a challenge of the assessed value established by
42 a local assessing jurisdiction with respect to local public utility mass
43 real property as otherwise provided in article seven of this chapter,
44 provided however that upon motion of the local assessing jurisdiction,
45 such challenge shall be consolidated with the challenge to the final
46 assessment ceiling commenced pursuant to this subdivision and litigated
47 in the venue specified by this subdivision. In any proceeding challeng-
48 ing an assessed value established by a local assessing jurisdiction for
49 local public utility mass real property, the final certified assessment
50 ceiling established pursuant to subdivision one of this section [shall
51 not], and the evidence submitted in connection therewith, may be consid-
52 ered by the court when determining the merits of the challenge to the

1 assessed value established by the assessing unit. In such a proceeding,
2 the local assessing jurisdiction, upon request to the local public util-
3 ity mass real property owner, shall be provided with a copy of the annu-
4 al report provided to the commissioner under section four hundred nine-
5 ty-nine-rrrr of this title. Such annual report shall only be used for
6 actual and necessary activities related to such proceeding and shall
7 otherwise be considered confidential and shall not be subject to further
8 disclosure pursuant to the freedom of information law or otherwise. If
9 the local public utility mass real property owner fails to provide the
10 report within thirty days of such a request, the proceeding shall be
11 dismissed.

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

16

PART Z

17 Section 1. This Part enacts into law major components of legislation
18 relating to the administration of the STAR program authorized by section
19 425 of the real property tax law and subsection (eee) of section 606 of
20 the tax law. Each component is wholly contained within a Subpart identi-
21 fied as Subparts A through E. The effective date for each particular
22 provision contained within such Subpart is set forth in the last section
23 of such Subpart. Any provision in any section contained within a
24 Subpart, including the effective date of the Subpart, which makes refer-
25 ence to a section of "this act", when used in connection with that
26 particular component, shall be deemed to mean and refer to the corre-
27 sponding section of the Subpart in which it is found. Section two
28 contains a severability clause for all provisions contained in each
29 Subpart of this Part. Section three of this act sets forth the general
30 effective date of this Part.

31

SUBPART A

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

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

1 directed to correct the assessment roll accordingly, or, if another
2 person has custody or control of the assessment roll, to direct that
3 person to make the appropriate corrections. [If the correction is not
4 made before school taxes are levied, the school district authorities
5 shall be authorized and directed to take account of the fact that the
6 commissioner has granted the exemption by correcting the applicant's tax
7 bill and/or issuing a refund accordingly] Provided, however, that if the
8 assessment roll cannot be corrected in time for the exemption to appear
9 on the applicant's school tax bill, the commissioner shall be authorized
10 to remit directly to the applicant the tax savings that the STAR
11 exemption would have yielded if it had appeared on the applicant's tax
12 bill. The amounts so payable shall be paid from the account established
13 for the payment of STAR benefits to late registrants pursuant to subpar-
14 agraph (iii) of paragraph (a) of subdivision fourteen of this section.

15 § 2. This act shall take effect immediately.

16 SUBPART B

17 Intentionally Omitted.

18 SUBPART C

19 Section 1. Subparagraph (A) of paragraph 3 of subsection (eee) of
20 section 606 of the tax law, as amended by section 2 of part RR of chap-
21 ter 59 of the laws of 2019, is amended to read as follows:

22 (A) Beginning with taxable years after two thousand fifteen, a basic
23 STAR credit shall be available to a qualified taxpayer if the affiliated
24 income of the parcel that serves as the taxpayer's primary residence is
25 less than or equal to five hundred thousand dollars for the applicable
26 income tax year specified by paragraph (b-1) of subdivision three of
27 section four hundred twenty-five of the real property tax law. The
28 income limit established for the basic STAR exemption by paragraph (b-1)
29 of subdivision three of section four hundred twenty-five of the real
30 property tax law shall not be taken into account when determining eligi-
31 bility for the basic STAR credit.

32 § 2. This act shall take effect immediately.

33 SUBPART D

34 Section 1. Subparagraph (B) of paragraph 7 of subsection (eee) of
35 section 606 of the tax law, as amended by section 7 of part E of chapter
36 59 of the laws of 2018, is amended to read as follows:

37 (B) Notwithstanding any provision of law to the contrary, the names
38 and addresses of individuals who have applied for or are receiving the
39 credit authorized by this subsection may be disclosed to assessors,
40 county directors of real property tax services, and municipal tax
41 collecting officers within New York state. In addition, where an agree-
42 ment is in place between the commissioner and the head of the tax
43 department of another state, such information may be disclosed to such
44 official or his or her designees, or assessors and tax officials from
45 jurisdictions outside New York state if the laws of the other jurisdic-
46 tion allow it to provide similar information to this state. Such infor-
47 mation shall be considered confidential and shall not be subject to
48 further disclosure pursuant to the freedom of information law or other-
49 wise.

1 § 2. This act shall take effect immediately.

2

SUBPART E

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

6 (c) Decedents. The return for any deceased individual shall be made
7 and filed by [his] the decedent's executor, administrator, or other
8 person charged with [his] the decedent's property. If a final return of
9 a decedent is for a fractional part of a year, the due date of such
10 return shall be the fifteenth day of the fourth month following the
11 close of the twelve-month period which began with the first day of such
12 fractional part of the year. Notwithstanding any provision of law to the
13 contrary, when a return has been filed for a decedent, the commissioner
14 may disclose the decedent's name, address, and the date of death to the
15 director of real property tax services of the county and the assessor of
16 the assessing unit in which the address reported on such return is
17 located.

18 § 2. This act shall take effect immediately.

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

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

32

PART AA

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

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

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

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

45 (c) If the property owner provides such information to the assessor
46 prior to the filing of the tentative assessment roll, the assessor may
47 make such adjustments to the appraisal model inputs as he or she deems
48 warranted based upon the information provided by the property owner, and
49 may recalculate the property value by entering the adjusted inputs into
50 the appraisal model.

51 (d) If dissatisfied with the assessed value appearing on the tentative
52 assessment roll, the property owner may file a complaint with the board

1 of assessment review; provided, however, that the grounds for review of
2 an assessment determined under this section with respect to both article
3 five and article seven of this chapter shall be limited to the accuracy
4 of the appraisal model inputs made by the assessor.

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

11 § 2. This act shall take effect immediately.

12 PART BB

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

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

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

34 (i) Such property is located in an independent school district that is
35 subject to the provisions of section two thousand twenty-three-a of the
36 education law and that has adopted a budget in excess of the tax levy
37 limit prescribed by that section. To render its taxpayers eligible for
38 the credit authorized by this subsection, the school district must
39 certify its compliance with such tax levy limit in the manner prescribed
40 by subdivision two of section two thousand twenty-three-b of the educa-
41 tion law.

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

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

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

1 residing in real property located outside the MCTD, the amount of the
2 credit shall be \$185.

3 (b) For the two thousand seventeen, two thousand eighteen and two
4 thousand nineteen taxable years (i)] For a taxpayer who owned and prima-
5 rily resided in real property receiving the basic STAR exemption or who
6 received the basic STAR credit, the amount of the credit shall equal the
7 STAR tax savings associated with such basic STAR exemption in the two
8 thousand twenty-one--two thousand twenty-two school year, multiplied by
9 the following percentage:

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

11 Qualified Gross Income	Percentage
12 Not over \$75,000	28%
13 Over \$75,000 but not over \$150,000	20.5%
14 Over \$150,000 but not over \$200,000	13%
15 Over \$200,000 but not over \$275,000	5.5%
16 Over \$275,000	No credit

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

18 Qualified Gross Income	Percentage
19 Not over \$75,000	60%
20 Over \$75,000 but not over \$150,000	42.5%
21 Over \$150,000 but not over \$200,000	25%
22 Over \$200,000 but not over \$275,000	7.5%
23 Over \$275,000	No credit

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

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

27 Qualified Gross Income	Percentage
28 Not over \$75,000	[85%] <u>163%</u>
29 Over \$75,000 but not over \$150,000	[60%] <u>115%</u>
30 Over \$150,000 but not over \$200,000	[35%] <u>66%</u>
31 Over \$200,000 but not over	[10%] <u>18%</u>
32 <u>[\$275,000] \$250,000</u>	
33 Over <u>[\$275,000] \$250,000</u>	No credit

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

36 <u>Qualified Gross Income</u>	<u>Percentage</u>
37 <u>Not over \$75,000</u>	<u>125%</u>
38 <u>Over \$75,000 but not over \$150,000</u>	<u>115%</u>
39 <u>Over \$150,000 but not over \$200,000</u>	<u>105%</u>
40 <u>Over \$200,000 but not over \$250,000</u>	<u>100%</u>
41 <u>Over \$250,000</u>	<u>No credit</u>

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

48 Taxable Year	Percentage
49 two thousand seventeen	12%
50 two thousand eighteen	26%
51 two thousand nineteen	34%]

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

55 [(d)] (c) In no case may the amount of the credit allowed under this
56 subsection exceed the school district taxes due with respect to the

1 residence for that school year, nor shall any credit be allowed under
2 this subsection if the amount determined pursuant to this paragraph is
3 less than one hundred dollars.

4 (4) For purposes of this subsection:

5 (a) "Qualified gross income" means the adjusted gross income of the
6 qualified taxpayer for the taxable year as reported for federal income
7 tax purposes, or which would be reported as adjusted gross income if a
8 federal income tax return were required to be filed. In computing quali-
9 fied gross income, the net amount of loss reported on Federal Schedule
10 C, D, E, or F shall not exceed three thousand dollars per schedule. In
11 addition, the net amount of any other separate category of loss shall
12 not exceed three thousand dollars. The aggregate amount of all losses
13 included in computing qualified gross income shall not exceed fifteen
14 thousand dollars.

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

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

23 § 2. This act shall take effect immediately.

24

PART CC

25

Intentionally Omitted

26

PART DD

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

30 § 509-a. Capital acquisition fund. 1. The corporation may create and
31 establish a capital acquisition fund for the purpose of financing the
32 acquisition, construction or equipping of offices, facilities or prem-
33 ises of the corporation. Such capital acquisition fund shall consist of
34 (i) the amounts specified pursuant to subdivision three-a of section
35 five hundred thirty-two of this chapter; and (ii) contributions from the
36 corporation's pari-mutuel wagering pools, subject to the following limi-
37 tations:

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

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

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

48 2. Notwithstanding any other provision of law or regulation to the
49 contrary, from April nineteenth, two thousand twenty-one to March thir-
50 ty-first, two thousand twenty-two, and for each state fiscal year there-
51 after, twenty-three percent of the funds, not to exceed two and one-half



1 million dollars, in the Catskill off-track betting corporation's capital
2 acquisition fund and twenty-three percent of the funds, not to exceed
3 four hundred forty thousand dollars, in the Capital off-track betting
4 corporation's capital acquisition fund established pursuant to this
5 section shall also be available to such off-track betting corporation
6 for the purposes of statutory obligations, payroll, and expenditures
7 necessary to accept authorized wagers.

8 3. The Catskill off-track betting corporation and the Capital off-
9 track betting corporation shall make a report to the governor, speaker
10 of the assembly, temporary president of the senate and the commission
11 detailing the actual use of the funds made available in the capital
12 acquisition fund. Such report shall include, but not be limited to, any
13 impact on employment levels since utilizing the funds, the status of any
14 statutory obligations, an accounting of the use of such funds, and any
15 other information as deemed necessary by the commission. Such report
16 shall be due no later than the [first day of April two thousand twenty-
17 two] last day of the fiscal year in which the monies were spent.

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

23 § 2. This act shall take effect immediately and shall expire and be
24 deemed repealed [one year] two years after such date.

25 § 3. This act shall take effect immediately.

26

PART EE

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

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

1 by this chapter at one or more simulcast facilities for each of the
2 contracting off-track betting corporations which shall include wagers
3 made in accordance with section one thousand fifteen, one thousand
4 sixteen and one thousand seventeen of this article; provided further
5 that the contract provisions or other simulcast arrangements for such
6 simulcast facility shall be no less favorable than those in effect on
7 January first, two thousand five; (ii) that each off-track betting
8 corporation having within its geographic boundaries such residences,
9 homes or other areas technically capable of receiving the simulcast
10 signal shall be a contracting party; (iii) the distribution of revenues
11 shall be subject to contractual agreement of the parties except that
12 statutory payments to non-contracting parties, if any, may not be
13 reduced; provided, however, that nothing herein to the contrary shall
14 prevent a track from televising its races on an irregular basis primari-
15 ly for promotional or marketing purposes as found by the commission. For
16 purposes of this paragraph, the provisions of section one thousand thir-
17 teen of this article shall not apply. Any agreement authorizing an
18 in-home simulcasting experiment commencing prior to May fifteenth, nine-
19 teen hundred ninety-five, may, and all its terms, be extended until June
20 thirtieth, two thousand [twenty-two] ~~twenty-three~~; provided, however,
21 that any party to such agreement may elect to terminate such agreement
22 upon conveying written notice to all other parties of such agreement at
23 least forty-five days prior to the effective date of the termination,
24 via registered mail. Any party to an agreement receiving such notice of
25 an intent to terminate, may request the commission to mediate between
26 the parties new terms and conditions in a replacement agreement between
27 the parties as will permit continuation of an in-home experiment until
28 June thirtieth, two thousand [twenty-two] ~~twenty-three~~; and (iv) no
29 in-home simulcasting in the thoroughbred special betting district shall
30 occur without the approval of the regional thoroughbred track.

31 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section
32 1007 of the racing, pari-mutuel wagering and breeding law, as amended by
33 section 2 of part DD of chapter 59 of the laws of 2021, is amended to
34 read as follows:

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

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

51 The provisions of this section shall govern the simulcasting of races
52 conducted at thoroughbred tracks located in another state or country on
53 any day during which a franchised corporation is conducting a race meet-
54 ing in Saratoga county at Saratoga thoroughbred racetrack until June
55 thirtieth, two thousand [twenty-two] ~~twenty-three~~ and on any day regard-
56 less of whether or not a franchised corporation is conducting a race

1 meeting in Saratoga county at Saratoga thoroughbred racetrack after June
2 thirtieth, two thousand [twenty-two] twenty-three. On any day on which a
3 franchised corporation has not scheduled a racing program but a
4 thoroughbred racing corporation located within the state is conducting
5 racing, each off-track betting corporation branch office and each simul-
6 casting facility licensed in accordance with section one thousand seven
7 (that has entered into a written agreement with such facility's repre-
8 sentative horsemen's organization, as approved by the commission), one
9 thousand eight, or one thousand nine of this article shall be authorized
10 to accept wagers and display the live simulcast signal from thoroughbred
11 tracks located in another state or foreign country subject to the
12 following provisions:

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

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

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

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

42 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel
43 wagering and breeding law, as amended by section 6 of part DD of chapter
44 59 of the laws of 2021, is amended to read as follows:

45 Notwithstanding any other provision of this chapter, for the period
46 July twenty-fifth, two thousand one through September eighth, two thou-
47 sand [twenty-one] twenty-two, when a franchised corporation is conduct-
48 ing a race meeting within the state at Saratoga Race Course, every off-
49 track betting corporation branch office and every simulcasting facility
50 licensed in accordance with section one thousand seven (that has entered
51 into a written agreement with such facility's representative horsemen's
52 organization as approved by the commission), one thousand eight or one
53 thousand nine of this article shall be authorized to accept wagers and
54 display the live simulcast signal from thoroughbred tracks located in
55 another state, provided that such facility shall accept wagers on races
56 run at all in-state thoroughbred tracks which are conducting racing

1 programs subject to the following provisions; provided, however, no such
2 written agreement shall be required of a franchised corporation licensed
3 in accordance with section one thousand seven of this article.

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

8 § 32. This act shall take effect immediately and the pari-mutuel tax
9 reductions in section six of this act shall expire and be deemed
10 repealed on July 1, [2022] 2023; provided, however, that nothing
11 contained herein shall be deemed to affect the application, qualifica-
12 tion, expiration, or repeal of any provision of law amended by any
13 section of this act, and such provisions shall be applied or qualified
14 or shall expire or be deemed repealed in the same manner, to the same
15 extent and on the same date as the case may be as otherwise provided by
16 law; provided further, however, that sections twenty-three and twenty-
17 five of this act shall remain in full force and effect only until May 1,
18 1997 and at such time shall be deemed to be repealed.

19 § 8. Section 54 of chapter 346 of the laws of 1990, amending the
20 racing, pari-mutuel wagering and breeding law and other laws relating to
21 simulcasting and the imposition of certain taxes, as amended by section
22 8 of part DD of chapter 59 of the laws of 2021, is amended to read as
23 follows:

24 § 54. This act shall take effect immediately; provided, however,
25 sections three through twelve of this act shall take effect on January
26 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-
27 ing law, as added by section thirty-eight of this act, shall expire and
28 be deemed repealed on July 1, [2022] 2023; and section eighteen of this
29 act shall take effect on July 1, 2008 and sections fifty-one and fifty-
30 two of this act shall take effect as of the same date as chapter 772 of
31 the laws of 1989 took effect.

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

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

49 Such rate may not be changed more than once per calendar quarter to be
50 effective on the first day of the calendar quarter. "Exotic bets" and
51 "multiple bets" shall have the meanings set forth in section five
52 hundred nineteen of this chapter. "Super exotic bets" shall have the
53 meaning set forth in section three hundred one of this chapter. For
54 purposes of this section, a "pick six bet" shall mean a single bet or
55 wager on the outcomes of six races. The breaks are hereby defined as the
56 odd cents over any multiple of five for payoffs greater than one dollar

1 five cents but less than five dollars, over any multiple of ten for
2 payoffs greater than five dollars but less than twenty-five dollars,
3 over any multiple of twenty-five for payoffs greater than twenty-five
4 dollars but less than two hundred fifty dollars, or over any multiple of
5 fifty for payoffs over two hundred fifty dollars. Out of the amount so
6 retained there shall be paid by such franchised corporation to the
7 commissioner of taxation and finance, as a reasonable tax by the state
8 for the privilege of conducting pari-mutuel betting on the races run at
9 the race meetings held by such franchised corporation, the following
10 percentages of the total pool for regular and multiple bets five percent
11 of regular bets and four percent of multiple bets plus twenty percent of
12 the breaks; for exotic wagers seven and one-half percent plus twenty
13 percent of the breaks, and for super exotic bets seven and one-half
14 percent plus fifty percent of the breaks.

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

25 § 10. This act shall take effect immediately.

26

PART FF

27 Section 1. Paragraph 1 of subsection (d) of section 606 of the tax
28 law, as amended by section 1 of part Q of chapter 63 of the laws of
29 2000, is amended to read as follows:

30 (1) General. A taxpayer shall be allowed a credit as provided herein
31 equal to (i) the applicable percentage of the earned income credit
32 allowed under section thirty-two of the internal revenue code for the
33 same taxable year, (ii) reduced by the credit permitted under subsection
34 (b) of this section.

35 The applicable percentage shall be (i) seven and one-half percent for
36 taxable years beginning in nineteen hundred ninety-four, (ii) ten
37 percent for taxable years beginning in nineteen hundred ninety-five,
38 (iii) twenty percent for taxable years beginning after nineteen hundred
39 ninety-five and before two thousand, (iv) twenty-two and one-half
40 percent for taxable years beginning in two thousand, (v) twenty-five
41 percent for taxable years beginning in two thousand one, (vi) twenty-
42 seven and one-half percent for taxable years beginning in two thousand
43 two, [and] (vii) thirty percent for taxable years beginning in two thou-
44 sand three, and (viii) thirty-seven and one-half percent for taxable
45 years beginning in two thousand twenty-two and thereafter. [Provided,
46 however, that if the reversion event, as defined in this paragraph,
47 occurs, the applicable percentage shall be twenty percent for taxable
48 years ending on or after the date on which the reversion event occurred.
49 The reversion event shall be deemed to have occurred on the date on
50 which federal action, including but not limited to, administrative,
51 statutory or regulatory changes, materially reduces or eliminates New
52 York state's allocation of the federal temporary assistance for needy
53 families block grant, or materially reduces the ability of the state to
54 spend federal temporary assistance for needy families block grant funds



1 for the earned income credit or to apply state general fund spending on
2 the earned income credit toward the temporary assistance for needy fami-
3 lies block grant maintenance of effort requirement, and the commissioner
4 of the office of temporary and disability assistance shall certify the
5 date of such event to the commissioner of taxation and finance, the
6 director of the division of the budget, the speaker of the assembly and
7 the temporary president of the senate.] Provided, however, for taxable
8 years beginning in two thousand twenty-two and thereafter, in the case
9 of an eligible individual with no qualifying children, as such term is
10 defined in section 32 of the internal revenue code, notwithstanding
11 section 32(c)(3)(D), the applicable percentage shall be sixty percent.
12 Furthermore, an individual otherwise eligible but for the requirement
13 under section 32(m) of the internal revenue code shall be eligible for
14 this credit.

15 § 2. The tax law is amended by adding a new section 679 to read as
16 follows:

17 § 679. Advance payment of earned income credit. (a) General rule.
18 Except as otherwise provided in this chapter, the commissioner shall
19 provide for the prepayment of the earned income credit to qualifying
20 taxpayers, if such taxpayer elects to receive such advanced payments.

21 (b) Earned income eligibility application. For purposes of this arti-
22 cle, an earned income eligibility application is a statement furnished
23 by a taxpayer to the commissioner which:

24 (1) certifies that the taxpayer received an earned income credit or an
25 enhanced earned income credit provided pursuant to subsection (d) or
26 (d-1) of section six hundred six of this article for the most recently
27 available taxable year;

28 (2) includes information on any substantial change in income or change
29 in filing status that would materially change a taxpayer's eligibility
30 for the earned income credit; and

31 (3) states whether the employee's spouse has filed an earned income
32 eligibility application for the taxable year.

33 (c) Earned income advance amount. Three advanced payments shall be
34 made to such qualifying taxpayer that files an earned income eligibility
35 application with the department by the first of June in any taxable
36 year. An estimated annual tax credit shall be determined by the commis-
37 sioner in advance of the first payment which shall be equal to the cred-
38 it provided for the most recently available taxable year as adjusted
39 based on changes in income or filing status as reported in the taxpay-
40 er's earned income eligibility application. Prior to disbursement, the
41 commissioner is authorized to verify that the qualifying taxpayer's
42 status has not changed. The three advanced payments for a taxable year
43 shall be equal to twenty-five percent of the estimated annual tax cred-
44 it, and shall be disbursed on the thirtieth of June, the thirtieth of
45 September, and the thirty-first of December, of the taxable year. The
46 remainder of the earned income credit amount shall be reconciled upon
47 the filing of the taxpayer's final return for the taxable year. Such
48 advanced payments shall, to the extent practicable, be made available
49 via direct deposit and via electronic benefit transfer (EBT) card.

50 (d) Form and contents of application. Earned income eligibility
51 application shall be in such form and contain such information as the
52 commissioner may determine and prescribe.

53 (e) Notification. (1) The commissioner shall notify all taxpayers who
54 have received a refund of the credit pursuant to subsection (d) or (d-1)
55 of section six hundred six of this article based on the most recent tax
56 return or record in writing of the availability of earned income advance

1 amounts under this section, no later than May first of the taxable year.
 2 Such written or electronic notification shall include a clearly labeled
 3 section or withholding forms and a separate handout with information
 4 about the advanced payment of the earned income credit in the six most
 5 common languages spoken by individuals in this state.

6 (2) The commissioner shall provide information of the availability of
 7 earned income advance amounts under this section to tax preparers,
 8 accountants and organizations that assist individuals in tax prepara-
 9 tion. Such information shall be distributed to qualifying individuals.

10 (3) Any increase in tax under this subsection shall not be treated as
 11 tax imposed by this chapter for purposes of determining the amount of
 12 any credit, other than the credit allowed by subsection (d) or (d-1) of
 13 section six hundred six of this article, allowable under this article.

14 § 3. Paragraph 1 of subsection (c-1) of section 606 of the tax law, as
 15 amended by section 1 of part P of chapter 59 of the laws of 2018, is
 16 amended to read as follows:

17 (1) A resident taxpayer shall be allowed a credit as provided herein
 18 equal to the greater of one hundred dollars times the number of qualify-
 19 ing children of the taxpayer or the applicable percentage of the child
 20 tax credit allowed the taxpayer under section twenty-four of the inter-
 21 nal revenue code for the same taxable year for each qualifying child.
 22 Provided, however, in the case of a taxpayer whose federal adjusted
 23 gross income exceeds the applicable threshold amount set forth by
 24 section 24(b)(2) of the Internal Revenue Code, the credit shall only be
 25 equal to the applicable percentage of the child tax credit allowed the
 26 taxpayer under section 24 of the Internal Revenue Code for each qualify-
 27 ing child. For the purposes of this subsection, a qualifying child shall
 28 be a child who meets the definition of qualified child under section
 29 24(c) of the internal revenue code [and is at least four years of age].
 30 The applicable percentage shall be thirty-three percent. For purposes of
 31 this subsection, any reference to section 24 of the Internal Revenue
 32 Code shall be a reference to such section as it existed immediately
 33 prior to the enactment of Public Law 115-97. Provided, however, for
 34 taxable years beginning in two thousand twenty-two and thereafter, for a
 35 resident taxpayer with federal adjusted gross income of less than one
 36 hundred thousand dollars, the applicable percentage shall be the appli-
 37 cable percentage otherwise computed under this paragraph multiplied by a
 38 factor as follows:

39 If federal adjusted gross

40 income is:

The factor is:

41 Less than \$10,000

2.00

42 At least \$10,000 and less
 43 than \$25,000

1.75

44 At least \$25,000 and less
 45 than \$50,000

1.50

46 At least \$50,000 and less
 47 than \$100,000

1.25

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

50

PART GG

51 Section 1. Subsection (b) of section 612 of the tax law is amended by
 52 adding a new paragraph 44 to read as follows:

53 (44) Any income, gain, loss and deduction, to the extent it is
 54 included in federal adjusted gross income and is, when combined and

1 combined with additions for federal depreciation required by paragraph
2 eight of this subsection and subtractions for New York allowed by
3 subsection (k) of this section, less than zero, of an individual or
4 trust from a qualified pass-through manufacturer, as defined in para-
5 graph forty-six of subsection (c) of this section.

6 § 2. Paragraph 39 of subsection (c) of section 612 of the tax law, as
7 added by section 1 of part Y of chapter 59 of the laws of 2013, is
8 amended and a new paragraph 46 is added to read as follows:

9 (39) In the case of a taxpayer who is a small business who has busi-
10 ness income and/or farm income as defined in the laws of the United
11 States, an amount equal to three percent of the net items of income,
12 gain, loss and deduction attributable to such business or farm entering
13 into federal adjusted gross income, but not less than zero, for taxable
14 years beginning after two thousand thirteen, an amount equal to three
15 and three-quarters percent of the net items of income, gain, loss and
16 deduction attributable to such business or farm entering into federal
17 adjusted gross income, but not less than zero, for taxable years begin-
18 ning after two thousand fourteen, and an amount equal to five percent of
19 the net items of income, gain, loss and deduction attributable to such
20 business or farm entering into federal adjusted gross income, but not
21 less than zero, for taxable years beginning after two thousand fifteen.
22 For the purposes of this paragraph, the term small business shall mean a
23 sole proprietor or a farm business who employs one or more persons
24 during the taxable year and who has net business income or net farm
25 income of less than two hundred fifty thousand dollars. For the
26 purposes of this paragraph, the term small business shall exclude any
27 business that is a qualified pass-through manufacturer, as defined in
28 paragraph forty-six of this subsection for the current tax year.

29 (46) (A) Any income, gain, loss and deduction, to the extent included
30 in federal adjusted gross income and is, when combined and combined with
31 additions for federal depreciation required by paragraph eight of this
32 subsection and subtractions for New York allowed by subsection (k) of
33 this section, greater than zero, of an individual or trust from a quali-
34 fied pass-through manufacturer. Income from a qualified pass-through
35 manufacturer shall include wages of an individual controlling ten
36 percent or more of the qualified business or entity. Income or loss from
37 a qualified pass-through manufacturer shall not include an amount
38 representing reasonable compensation for personal services, as defined
39 in the internal revenue code section one hundred sixty-two regulations,
40 for an individual controlling ten percent or more of the qualified busi-
41 ness or entity.

42 (B) The qualified pass-through manufacturer may be organized as a sole
43 proprietorship, a partnership, a limited liability company electing to
44 be treated as a partnership or sole proprietorship, or an S corporation.

45 (C) For the purposes of this subsection, the term qualified pass-
46 through manufacturer shall mean a business that is a qualified New York
47 manufacturer, as defined by subparagraph (vi) of paragraph (a) of subdi-
48 vision one of section two hundred ten of this chapter, except that the
49 term "gross receipts" shall be replaced by "business receipts" in deter-
50 mining whether the business is "principally engaged" in manufacturing. A
51 qualified pass-through manufacturer shall not include a business that is
52 currently participating in the START-UP NY program.

53 § 3. Paragraph 2 of subsection (a) of section 606 of the tax law is
54 amended by adding a new subparagraph (B-1) to read as follows:

55 (B-1) Property placed in service during the tax year that is otherwise
56 eligible for the investment tax credit described in subparagraph (A) of

1 this paragraph, will not be eligible for the investment tax credit if
2 the use of the property is by a qualified pass-through manufacturer, as
3 defined in paragraph forty-six of subsection (c) of section six hundred
4 twelve of this article for the current tax year.

5 § 4. Subdivision 1 of section 210-B of the tax law is amended by
6 adding a new paragraph (g) to read as follows:

7 (g) Property placed in service during the tax year that is otherwise
8 eligible for the investment tax credit described in this subdivision,
9 will not be eligible for the investment tax credit if the use of the
10 property is by a qualified New York manufacturer, as defined in subpara-
11 graph (vi) of paragraph (a) of subsection one of section two hundred ten
12 of this article for the current tax year.

13 § 5. For purposes of determining the modifications of paragraphs 39
14 and 46 of subsection (c) of section 612 of the tax law and the invest-
15 ment tax credit disallowance of subparagraph (B-1) of paragraph 2 of
16 subsection (a) of section 606 of the tax law, the amounts shall be
17 multiplied by the following percentages: (a) for tax years beginning on
18 or after January 1, 2022: thirty-three percent; (b) for tax years begin-
19 ning on or after January 1, 2023: sixty-six percent; and (c) for tax
20 years beginning on or after January 1, 2024: one hundred percent.

21 § 6. This act shall take effect immediately and shall apply to tax
22 years beginning on or after January 1, 2022.

23

PART HH

24 Section 1. Paragraph (a) of subdivision 26 of section 210-B of the tax
25 law, as amended by section 2 of part RR of chapter 59 of the laws of
26 2018, subparagraph (i) as amended by section 2 of part CCC of chapter 59
27 of the laws of 2021, and clause (B) of subparagraph (ii) as added by
28 section 17 of part A of chapter 59 of the laws of 2014, is amended and a
29 new paragraph (g) is added to read as follows:

30 (a) Application of credit. (i) For taxable years beginning on or
31 after January first, two thousand ten, and before January first, two
32 thousand [twenty-five] thirty-two, a taxpayer shall be allowed a credit
33 as hereinafter provided, against the tax imposed by this article, in an
34 amount equal to one hundred percent of the amount of credit allowed the
35 taxpayer for the same taxable year with respect to a certified historic
36 structure, and one hundred fifty percent of the amount of credit allowed
37 the taxpayer with respect to a certified historic structure that is a
38 small project, under internal revenue code section 47(c)(3), determined
39 without regard to ratably allocating the credit over a five year period
40 as required by subsection (a) of such section 47, with respect to a
41 certified historic structure located within the state. Provided, howev-
42 er, the credit shall not exceed five million dollars.

43 (ii) (A) For taxable years beginning on or after January first, two
44 thousand [twenty-five] thirty-two, a taxpayer shall be allowed a credit
45 as hereinafter provided, against the tax imposed by this article, in an
46 amount equal to thirty percent of the amount of credit allowed the
47 taxpayer for the same taxable year determined without regard to ratably
48 allocating the credit over a five year period as required by subsection
49 (a) of section 47 of the internal revenue code, with respect to a certi-
50 fied historic structure under subsection (c)(3) of section 47 of the
51 internal revenue code with respect to a certified historic structure
52 located within the state. Provided, however, the credit shall not exceed
53 one hundred thousand dollars.

1 (B) If the taxpayer is a partner in a partnership or a shareholder in
2 a New York S corporation, then the credit caps imposed in [subparagraph]
3 clause (A) of this [paragraph] subparagraph shall be applied at the
4 entity level, so that the aggregate credit allowed to all the partners
5 or shareholders of each such entity in the taxable year does not exceed
6 the credit cap that is applicable in that taxable year.

7 (g) The commissioner shall report annually, on or before the first day
8 of November, on the aggregate amount of credits claimed and awarded
9 pursuant to this subdivision on returns filed during the preceding
10 calendar year. Such report shall be provided to the governor, temporary
11 president of the senate, speaker of the assembly, chair of the senate
12 finance committee and chair of the assembly ways and means committee and
13 shall be made publicly available on the department's website.

14 § 2. Section 14.05 of the parks, recreation and historic preservation
15 law is amended by adding a new subdivision 5 to read as follows:

16 5. (a) The commissioner shall report annually, on or before the
17 first day of November, on the tax credit projects applied for in
18 accordance with subdivision twenty-six of section two hundred ten-B,
19 subsection (oo) of section six hundred six, and subdivision (y) of
20 section one thousand five hundred eleven of the tax law on returns
21 filed during the preceding calendar year. Such report shall be
22 provided to the governor, temporary president of the senate, speaker
23 of the assembly, chair of the senate finance committee and chair of
24 the assembly ways and means committee, shall be made publicly available
25 on the office's website, and shall include the following information:

26 (i) the number and value of tax credit projects applied for during the
27 state fiscal year, organized by municipality and county, and project
28 size;

29 (ii) the number and value of tax credit projects certified by the
30 national park service during the state fiscal year, organized by munici-
31 pality and county, and project size;

32 (iii) the total value of credits certified annually for each of the
33 taxable years beginning on or after January first, two thousand seven to
34 the present, by municipality and county;

35 (iv) the number of housing units before and after rehabilitation;

36 (v) the number of low-moderate housing units before and after rehabil-
37 itation; and

38 (vi) the number of projects certified for both federal and state cred-
39 its, and the number of projects certified for federal credits only.

40 (b) The commissioner shall report annually, on or before the first
41 day of November, on the tax credit projects applied for pursuant to
42 subsection (pp) of section six hundred six of the tax law on returns
43 filed during the preceding calendar year. Such report shall be
44 provided to the governor, temporary president of the senate, speaker
45 of the assembly, chair of the senate finance committee and chair of
46 the assembly ways and means committee, shall be made publicly available
47 on the office's website, and shall include the following information:

48 (i) the number and value of tax credit projects applied for during the
49 state fiscal year, organized by municipality and county, and project
50 size;

51 (ii) the number and value of tax credit projects certified by
52 the office during the state fiscal year, organized by municipality and
53 county, and project size;

54 (iii) the total value of credits certified annually for each of the
55 taxable years beginning on or after January first, two thousand seven
56 to the present, by municipality and county;

- 1 (iv) the number of housing units before and after rehabilitation; and
2 (v) the number of projects certified for state credits by the office.

3 § 3. Subparagraph (A) of paragraph 1 of subsection (oo) of section 606
4 of the tax law, as amended by section 1 of part CCC of chapter 59 of the
5 laws of 2021, is amended and a new paragraph 7 is added to read as
6 follows:

7 (A) For taxable years beginning on or after January first, two thou-
8 sand ten and before January first, two thousand [twenty-five]
9 thirty-two, a taxpayer shall be allowed a credit as hereinafter
10 provided, against the tax imposed by this article, in an amount equal to
11 one hundred percent of the amount of credit allowed the taxpayer with
12 respect to a certified historic structure, and one hundred fifty percent
13 of the amount of credit allowed the taxpayer with respect to a certified
14 historic structure that is a small project, under internal revenue code
15 section 47(c)(3), determined without regard to ratably allocating the
16 credit over a five year period as required by subsection (a) of such
17 section 47, with respect to a certified historic structure located with-
18 in the state. Provided, however, the credit shall not exceed five
19 million dollars. For taxable years beginning on or after January first,
20 two thousand [twenty-five] thirty-two, a taxpayer shall be allowed a
21 credit as hereinafter provided, against the tax imposed by this article,
22 in an amount equal to thirty percent of the amount of credit allowed the
23 taxpayer with respect to a certified historic structure under internal
24 revenue code section 47(c)(3), determined without regard to ratably
25 allocating the credit over a five year period as required by subsection
26 (a) of such section 47, with respect to a certified historic structure
27 located within the state; provided, however, the credit shall not exceed
28 one hundred thousand dollars.

29 (7) The commissioner shall report annually, on or before the first day
30 of November, on the aggregate amount of credits claimed and awarded
31 pursuant to this subsection on returns filed during the preceding calen-
32 dar year. Such report shall be provided to the governor, temporary pres-
33 ident of the senate, speaker of the assembly, chair of the senate
34 finance committee and chair of the assembly ways and means committee and
35 shall be made publicly available on the department's website.

36 § 4. Paragraph 2 of subsection (pp) of section 606 of the tax law, as
37 amended by section 4 of part RR of chapter 59 of the laws of 2018, is
38 amended and a new paragraph 13 is added to read as follows:

39 (2) (A) With respect to any particular residence of a taxpayer, the
40 credit allowed under paragraph one of this subsection shall not exceed
41 fifty thousand dollars for taxable years beginning on or after January
42 first, two thousand ten and before January first, two thousand [twenty-
43 five] thirty-two and twenty-five thousand dollars for taxable years
44 beginning on or after January first, two thousand [twenty-five] thirty-
45 two. In the case of a husband and wife, the amount of the credit shall
46 be divided between them equally or in such other manner as they may both
47 elect. If a taxpayer incurs qualified rehabilitation expenditures in
48 relation to more than one residence in the same year, the total amount
49 of credit allowed under paragraph one of this subsection for all such
50 expenditures shall not exceed fifty thousand dollars for taxable years
51 beginning on or after January first, two thousand ten and before January
52 first, two thousand [twenty-five] thirty-two and twenty-five thousand
53 dollars for taxable years beginning on or after January first, two thou-
54 sand [twenty-five] thirty-two.

55 (B) For taxable years beginning on or after January first, two thou-
56 sand ten and before January first, two thousand [twenty-five]

1 thirty-two, if the amount of credit allowable under this subsection
2 shall exceed the taxpayer's tax for such year, and the taxpayer's New
3 York adjusted gross income for such year does not exceed sixty thousand
4 dollars, the excess shall be treated as an overpayment of tax to be
5 credited or refunded in accordance with the provisions of section six
6 hundred eighty-six of this article, provided, however, that no interest
7 shall be paid thereon. If the taxpayer's New York adjusted gross income
8 for such year exceeds sixty thousand dollars, the excess credit that may
9 be carried over to the following year or years and may be deducted from
10 the taxpayer's tax for such year or years. For taxable years beginning
11 on or after January first, two thousand [twenty-five] thirty-two, if the
12 amount of credit allowable under this subsection shall exceed the
13 taxpayer's tax for such year, the excess may be carried over to the
14 following year or years and may be deducted from the taxpayer's tax for
15 such year or years.

16 (13) The commissioner shall report annually, on or before the first
17 day of November, on the aggregate amount of credits claimed and awarded
18 pursuant to this subsection on returns filed during the preceding calen-
19 dar year. Such report shall be provided to the governor, temporary pres-
20 ident of the senate, speaker of the assembly, chair of the senate
21 finance committee and chair of the assembly ways and means committee and
22 shall be made publicly available on the department's website.

23 § 5. Subparagraph (A) of paragraph 1 of subdivision (y) of section
24 1511 of the tax law, as amended by section 3 of part CCC of chapter 59
25 of the laws of 2021, is amended and a new paragraph 7 is added to read
26 as follows:

27 (A) For taxable years beginning on or after January first, two thou-
28 sand ten and before January first, two thousand [twenty-five]
29 thirty-two, a taxpayer shall be allowed a credit as hereinafter
30 provided, against the tax imposed by this article, in an amount equal to
31 one hundred percent of the amount of credit allowed the taxpayer with
32 respect to a certified historic structure, and one hundred fifty percent
33 of the amount of credit allowed the taxpayer with respect to a certified
34 historic structure that is a small project, under internal revenue code
35 section 47(c)(3), determined without regard to ratably allocating the
36 credit over a five year period as required by subsection (a) of such
37 section 47, with respect to a certified historic structure located with-
38 in the state. Provided, however, the credit shall not exceed five
39 million dollars. For taxable years beginning on or after January first,
40 two thousand [twenty-five] thirty-two, a taxpayer shall be allowed a
41 credit as hereinafter provided, against the tax imposed by this article,
42 in an amount equal to thirty percent of the amount of credit allowed the
43 taxpayer with respect to a certified historic structure under internal
44 revenue code section 47(c)(3), determined without regard to ratably
45 allocating the credit over a five year period as required by subsection
46 (a) of such section 47 with respect to a certified historic structure
47 located within the state. Provided, however, the credit shall not
48 exceed one hundred thousand dollars.

49 (7) The commissioner shall report annually, on or before the first day
50 of November, on the aggregate amount of credits claimed and awarded
51 pursuant to this subdivision on returns filed during the preceding
52 calendar year. Such report shall be provided to the governor, temporary
53 president of the senate, speaker of the assembly, chair of the senate
54 finance committee and chair of the assembly ways and means committee and
55 shall be made publicly available on the department's website.

56 § 6. This act shall take effect immediately.

1

PART II

2 Section 1. The tax law is amended by adding a new section 493-a to
3 read as follows:

4 § 493-a. Deductions. (a) For each taxable year beginning on or after
5 January first, two thousand twenty-two, and before January first, two
6 thousand twenty-five, the provisions of section 280E of the internal
7 revenue code, relating to expenditures in connection with the illegal
8 sale of drugs, shall not apply for the purposes of this chapter to the
9 carrying on of any trade or business that is commercial cannabis activ-
10 ity by a licensee.

11 (b) For the purposes of this section, the following definitions shall
12 apply:

13 (1) "Commercial cannabis activity" includes the cultivation,
14 possession, manufacture, distribution, processing, storing, laboratory
15 testing, packaging, labeling, transportation, delivery, or sale of
16 cannabis and cannabis products, or acting as the holder of an adult-use
17 on-site consumption license pursuant to article four of the cannabis
18 law.

19 (2) "Licensee" shall have the same meaning as defined in section three
20 of the cannabis law.

21 § 2. This act shall take effect on the same date and in the same
22 manner as section 39 of chapter 92 of the laws of 2021, takes effect,
23 and shall expire January 1, 2025 when upon such date the provisions of
24 this act shall be deemed repealed.

25

PART JJ

26 Section 1. The opening paragraph of subdivision 7 of section 221 of
27 the racing, pari-mutuel wagering and breeding law, as separately amended
28 by chapter 243 and section 1 of part CC of chapter 59 of the laws of
29 2020, is amended to read as follows:

30 In order to pay the costs of the insurance required by this section
31 and by the workers' compensation law and to carry out its other powers
32 and duties and to pay for any of its liabilities under section four-
33 teen-a of the workers' compensation law, the New York Jockey Injury
34 Compensation Fund, Inc. shall ascertain the total funding necessary and
35 establish the sums that are to be paid by all owners and trainers
36 licensed or required to be licensed under section two hundred twenty of
37 this article, to obtain the total funding amount required annually. In
38 order to provide that any sum required to be paid by an owner or trainer
39 is equitable, the fund shall establish payment schedules that reflect
40 such factors as are appropriate, including where applicable, the
41 geographic location of the racing corporation at which the owner or
42 trainer participates, the duration of such participation, the amount of
43 any purse earnings, the number of horses involved, or such other factors
44 as the fund shall determine to be fair, equitable and in the best inter-
45 ests of racing. In no event shall the amount deducted from an owner's
46 share of purses exceed two percent; provided, however, [for two thousand
47 twenty and two thousand twenty-one] through calendar year two thousand
48 twenty-five, the New York Jockey Injury Compensation Fund, Inc. may use
49 up to two million dollars from the account established pursuant to
50 subdivision nine of section two hundred eight of this article to pay the
51 annual costs required by this section and the funds from such account
52 shall not count against the two percent of purses deducted from an
53 owner's share of purses. The amount deducted from an owner's share of

1 purses shall not exceed one percent after April first, two thousand
2 twenty-four. In the cases of multiple ownerships and limited racing
3 appearances, the fund shall equitably adjust the sum required.

4 § 2. Paragraph (a) of subdivision 9 of section 208 of the racing,
5 pari-mutuel wagering and breeding law, as amended by section 2 of part
6 CC of chapter 59 of the laws of 2020, is amended to read as follows:

7 (a) The franchised corporation shall maintain a separate account for
8 all funds held on deposit in trust by the corporation for individual
9 horsemen's accounts. Purse funds shall be paid by the corporation as
10 required to meet its purse payment obligations. Funds held in horsemen's
11 accounts shall only be released or applied as requested and directed by
12 the individual horseman. [For two thousand twenty and two thousand twen-
13 ty-one] Through calendar year two thousand twenty-five the New York
14 Jockey Injury Compensation Fund, Inc. may use up to two million dollars
15 from the account established pursuant to this subdivision to pay the
16 annual costs required by section two hundred twenty-one of this article.

17 § 3. This act shall take effect immediately.

18

PART KK

19 Section 1. Paragraph 1 of subdivision (e) of section 24-a of the tax
20 law, as amended by section 2 of part HH of chapter 59 of the laws of
21 2021, is amended to read as follows:

22 (1) The aggregate amount of tax credits allowed under this section,
23 subdivision forty-seven of section two hundred ten-B and subsection (u)
24 of section six hundred six of this chapter in any calendar year shall be
25 [eight] thirteen million dollars. Such aggregate amount of credits shall
26 be allocated by the department of economic development among taxpayers
27 in order of priority based upon the date of filing an application for
28 allocation of musical and theatrical production credit with such depart-
29 ment. If the total amount of allocated credits applied for in any
30 particular year exceeds the aggregate amount of tax credits allowed for
31 such year under this section, such excess shall be treated as having
32 been applied for on the first day of the subsequent year.

33 § 2. This act shall take effect immediately, provided, however, that
34 the amendments to section 24-a of the tax law made by section one of
35 this act shall not affect the expiration and repeal of such section and
36 shall be deemed to expire and repeal therewith.

37

PART LL

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

40 (47) The receipts from the first thirty-five thousand dollars of the
41 retail sale or lease of a new or used battery, electric, or plug-in
42 hybrid electric vehicle. For purposes of this paragraph the term
43 "battery, electric, or plug-in hybrid electric vehicle" means a motor
44 vehicle, as defined in section one hundred twenty-five of the vehicle
45 and traffic law, that:

46 (i) has four wheels;

47 (ii) was manufactured for use primarily on public streets, roads and
48 highways;

49 (iii) the powertrain of which has not been modified from the original
50 manufacturer's specifications;

51 (iv) is rated at not more than eight thousand five hundred pounds
52 gross vehicle weight;

1 (v) has a maximum speed capability of at least fifty-five miles per
2 hour; and

3 (vi) is propelled at least in part by an electronic motor and associ-
4 ated power electronics which provide acceleration torque to the drive
5 wheels sometime during normal vehicle operation, and that draws elec-
6 tricity from a battery that:

7 (A) has a capacity of not less than four kilowatt hours; and

8 (B) is capable of being recharged from an external source of electric-
9 ity.

10 § 2. Section 1160 of the tax law is amended by adding a new subdivi-
11 sion (d) to read as follows:

12 (d) The new or used battery, electric, or plug-in hybrid electric
13 vehicles exemption provided for in paragraph forty-seven of subdivision
14 (a) of section eleven hundred fifteen of this chapter shall not apply to
15 or limit the imposition of the tax imposed pursuant to this article.

16 § 3. Subparagraph (ii) of paragraph 1 of subdivision (a) of section
17 1210 of the tax law, as amended by section 5 of part J of chapter 59 of
18 the laws of 2021, is amended to read as follows:

19 (ii) Any local law, ordinance or resolution enacted by any city, coun-
20 ty or school district, imposing the taxes authorized by this subdivi-
21 sion, shall omit the residential solar energy systems equipment and
22 electricity exemption provided for in subdivision (ee), the commercial
23 solar energy systems equipment and electricity exemption provided for in
24 subdivision (ii), the commercial fuel cell electricity generating
25 systems equipment and electricity generated by such equipment exemption
26 provided for in subdivision (kk) and the clothing and footwear exemption
27 provided for in paragraph thirty of subdivision (a) of section eleven
28 hundred fifteen of this chapter, and the battery, electric, or plug-in
29 hybrid electric vehicle exemption provided for in paragraph forty-seven
30 of subdivision (a) of section eleven hundred fifteen of this chapter
31 unless such city, county or school district elects otherwise as to such
32 residential solar energy systems equipment and electricity exemption,
33 such commercial solar energy systems equipment and electricity
34 exemption, commercial fuel cell electricity generating systems equipment
35 and electricity generated by such equipment exemption or such clothing
36 and footwear exemption or such battery, electric, or plug-in hybrid
37 electric vehicle exemption provided for in paragraph forty-seven of
38 subdivision (a) of section eleven hundred fifteen of this chapter.

39 § 4. This act shall take effect on the first day of a sales tax quar-
40 terly period, as described in subdivision (b) of section 1136 of the tax
41 law, next succeeding the date on which it shall have become a law and
42 shall apply to sales made on or after such date; provided, however, this
43 act shall expire and be deemed repealed April 1, 2027.

44 PART MM

45 Section 1. Short title. This act shall be known and may be cited as
46 the "savings accounts for a variable economy (SAVE) for small businesses
47 act".

48 § 2. The tax law is amended by adding a new section 45 to read as
49 follows:

50 § 45. Small business savings accounts. (a) General. (1) The commis-
51 sioner shall establish a program to administer small business savings
52 accounts under this section.

53 (2) The commissioner shall establish minimum standards for small busi-
54 ness savings accounts and shall establish accounts, or enter into agree-

1 ments that meet these standards to administer such accounts. In estab-
2 lishing such standards and making such agreements the commissioner
3 shall, to the extent practicable, seek to minimize fees, minimize risk
4 of loss of principal, and ensure a range of investment risk options
5 available to account beneficiaries. Any eligible small business may
6 establish a small business savings account with respect to such business
7 under terms which meet the requirements of this section.

8 (b) Definition. For the purposes of this section, the term "small
9 business savings account" means a tax preferred savings account which is
10 designated at the time of establishment of the plan as a small business
11 savings account. Such designation shall be made in such manner as the
12 commissioner may by regulation prescribe.

13 (c) Contributions. (1) There shall be allowed as a deduction an amount
14 equal to the contributions to a small business savings account for the
15 taxable year.

16 (2) The aggregate amount of contributions for any taxable year to all
17 small business savings accounts maintained for the benefit of an eligi-
18 ble small business shall not exceed an amount equal to ten percent of
19 the entire net income of greater than zero but less than two hundred
20 fifty thousand dollars for article nine-A taxpayers and ten percent of
21 the New York source gross income of greater than zero but less than two
22 hundred fifty thousand dollars for a limited liability company, partner-
23 ship, or New York S corporation.

24 (d) Distributions. (1) Any qualified distribution from a small busi-
25 ness savings account shall not be includible in gross income.

26 (2) Any amounts distributed out of a small business savings account
27 that are not qualified distributions shall be included in gross income
28 for the taxable year of the distribution.

29 (3) For purposes of this section:

30 (A) The term "qualified distribution" means any amount:

31 (i) distributed from a small business savings account during a speci-
32 fied period of economic hardship; and

33 (ii) the distribution of which is certified by the taxpayer as part of
34 a plan which provides for the reinvestment of such distribution for the
35 funding of worker hiring or financial stabilization for the purposes of
36 job retention or creation.

37 (B) The term "specified period of economic hardship" means:

38 (i) any one-year period beginning immediately after the end of any two
39 consecutive quarters during which the annual rate of real gross domestic
40 product (as determined by the Bureau of Economic Analysis of the Depart-
41 ment of Commerce) decreases, or

42 (ii) any period, in no event shorter than one year, specified by the
43 commissioner for purposes of this section.

44 (C) The commissioner may specify a period under clause (ii) of subpar-
45 agraph (B) of this paragraph with respect to a specified area in the
46 case of an area determined by the governor to warrant assistance from
47 the Federal Government under the Robert T. Stafford Disaster Relief and
48 Emergency Assistance Act.

49 (D) The commissioner shall, for each specified period of economic
50 hardship establish a distribution limitation for qualified distributions
51 from eligible small business accounts with respect to such period. The
52 aggregate qualified distributions for any such period from all accounts
53 with respect to an eligible small business shall not exceed such limita-
54 tion.

1 (E) Any distribution not used in the manner certified under subpara-
2 graph (A) of this paragraph shall be treated as a distribution other
3 than a qualified distribution in the taxable year of such distribution.

4 (F) Any amount contributed to a small business savings account (and
5 any earnings attributable thereto), once distributed, shall not be
6 treated as a qualified distribution unless such distribution is made not
7 later than eight years after the date of such contribution. For purposes
8 of this subparagraph, amounts (and the earnings attributable thereto)
9 shall be treated as distributed on a first-in first-out basis.

10 (e) Eligible small business. For purposes of this section:

11 (1) The term "eligible small business" means, with respect to any
12 calendar year, any person if the annual average number of full-time
13 employees employed by such person during the preceding calendar year was
14 twenty-five or fewer and such person has an annual net income of less
15 than two hundred fifty thousand dollars. For purposes of this paragraph,
16 a preceding calendar year may be taken into account only if the person
17 was in existence throughout the year.

18 (2) (A) The term "full-time employee" means, with respect to any year,
19 an employee who is employed on average at least forty hours of service
20 per week.

21 (B) The commissioner shall prescribe such regulations, rules, and
22 guidance as may be necessary to determine the hours of service of an
23 employee, including rules for the application of this subdivision to
24 employees who are not compensated on an hourly basis.

25 (f) Effect of pledging account as security. If, during any taxable
26 year of the eligible small business for whose benefit an account is
27 established, the account or any portion thereof is pledged as security
28 for a loan, the portion so pledged shall be treated as distributed in a
29 distribution other than a qualified distribution.

30 (g) Annual report. The commissioner shall prepare and deliver an annu-
31 al report on the efficacy of small business savings accounts to the
32 temporary president of the senate and the speaker of the assembly. Such
33 report shall include, but not be limited to, an evaluation as to whether
34 small business savings accounts contribute to financial stabilization of
35 the small business during times of economic hardship, job retention or
36 creation.

37 § 3. Section 209 of the tax law is amended by adding a new subdivision
38 13 to read as follows:

39 13. For any taxable year beginning on or after January first, two
40 thousand twenty-one, any eligible small business, as such term is
41 defined pursuant to section forty-five of this chapter, shall be exempt
42 from all taxes imposed pursuant to this article for any contribution to
43 and qualified distribution from a small business savings account estab-
44 lished pursuant to section forty-five of this chapter, subject to the
45 limits set forth in such section. If a taxpayer files for and receives
46 an exemption from the tax imposed under this section pursuant to the
47 provisions of this subdivision and the funds withdrawn, or any portion
48 thereof, are not expended for a qualifying purpose as set forth in
49 section forty-five of this chapter, then the amount of such exemption
50 claimed by the taxpayer shall be added back to tax in the next succeed-
51 ing taxable year or in the year in which the exemption is disallowed.

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

54 (46) Any qualified contribution to and any qualified distribution from
55 a small business savings account established pursuant to section forty-
56 five of this chapter. If a taxpayer files for and receives an exemption

1 from the tax imposed under this section pursuant to the provisions of
2 this paragraph and are not a qualifying contribution or distribution as
3 set forth in section forty-five of this chapter, then the amount of any
4 such exemption claimed by the taxpayer shall be added back to tax in the
5 next succeeding taxable year.

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

8

PART NN

9 Section 1. Section 606 of the tax law is amended by adding a new
10 subsection (g-3) to read as follows:

11 (g-3) Geothermal energy systems credit. (1) General. An individual
12 taxpayer shall be allowed a credit against the tax imposed by this arti-
13 cle equal to twenty-five percent of qualified geothermal energy system
14 expenditures, except as provided in subparagraph (D) of paragraph two of
15 this subsection. This credit shall not exceed five thousand dollars for
16 a qualified geothermal energy system placed in service on or after
17 September first, two thousand twenty-one.

18 (2) Qualified geothermal energy systems expenditures. (A) The term
19 "qualified geothermal energy system expenditures" means expenditures
20 for:

21 (i) the purchase of geothermal energy system equipment which is
22 installed in connection with residential property which is (I) located
23 in this state and (II) which is used by the taxpayer as his or her prin-
24 cipal residence at the time the geothermal energy system equipment is
25 placed in service;

26 (ii) the lease of geothermal energy system equipment under a written
27 agreement that spans at least ten years where such equipment owned by a
28 person other than the taxpayer is installed in connection with residen-
29 tial property which is (I) located in this state and (II) which is used
30 by the taxpayer as his or her principal residence at the time the geoth-
31 ermal energy system equipment is placed in service; or

32 (iii) the purchase of power under a written agreement that spans at
33 least ten years whereunder the power purchased is generated by geother-
34 mal energy system equipment owned by a person other than the taxpayer
35 which is installed in connection with residential property which is (I)
36 located in this state and (II) used by the taxpayer as his or her prin-
37 cipal residence at the time the geothermal energy system equipment is
38 placed in service.

39 (B) Such qualified expenditures shall include expenditures for materi-
40 als, labor costs properly allocable to on-site preparation, assembly and
41 original installation, architectural and engineering services, and
42 designs and plans directly related to the construction or installation
43 of the geothermal energy system equipment.

44 (C) Such qualified expenditures for the purchase of geothermal energy
45 system equipment shall not include interest or other finance charges.

46 (D) Such qualified expenditures for the lease of geothermal energy
47 system equipment or the purchase of power under an agreement described
48 in clause (ii) or (iii) of subparagraph (A) of this paragraph shall
49 include an amount equal to all payments made during the taxable year
50 under such agreement. Provided, however, such credits shall only be
51 allowed for fourteen years after the first taxable year in which such
52 credit is allowed. Provided further, however, the twenty-five percent
53 limitation in paragraph one of this subsection shall only apply to the
54 total aggregate amount of all payments to be made pursuant to an agree-



1 ment referenced in clause (ii) or (iii) of subparagraph (A) of this
2 paragraph, and shall not apply to individual payments made during a
3 taxable year under such agreement except to the extent such limitation
4 on an aggregate basis has been reached.

5 (3) Geothermal energy system equipment. The term "geothermal energy
6 system equipment" shall mean a system whose original use begins with the
7 taxpayer; which meets the eligibility criteria, if any, prescribed by
8 the department; and which is a ground coupled solar thermal system that
9 utilizes the solar thermal energy stored in the ground or in bodies of
10 water to produce heat, and which is commonly known as or referred to as
11 a ground source heat pump system.

12 (4) Multiple taxpayers. Where geothermal energy system equipment is
13 purchased and installed in a principal residence shared by two or more
14 taxpayers, the amount of the credit allowable under this subsection for
15 each such taxpayer shall be prorated according to the percentage of the
16 total expenditure for such geothermal energy system equipment contrib-
17 uted by each taxpayer.

18 (5) Proportionate share. Where geothermal energy system equipment is
19 purchased and installed by a condominium management association or a
20 cooperative housing corporation, a taxpayer who is a member of the
21 condominium management association or who is a tenant-stockholder in the
22 cooperative housing corporation may for the purpose of this subsection
23 claim a proportionate share of the total expense as the expenditure for
24 the purposes of the credit attributable to his principal residence.

25 (6) Grants. For purposes of determining the amount of the expenditure
26 incurred in purchasing and installing geothermal energy system equip-
27 ment, the amount of any federal, state or local grant received by the
28 taxpayer, which was used for the purchase and/or installation of such
29 equipment and which was not included in the federal gross income of the
30 taxpayer, shall not be included in the amount of such expenditures.

31 (7) When credit allowed. The credit provided for herein shall be
32 allowed with respect to the taxable year, commencing after two thousand
33 twenty-two, in which the geothermal energy system equipment is placed in
34 service.

35 (8) Carryover of credit. If the amount of the credit, and carryovers
36 of such credit, allowable under this subsection for any taxable year
37 shall exceed the taxpayer's tax for such year, such excess amount may be
38 carried over to the five taxable years next following the taxable year
39 with respect to which the credit is allowed and may be deducted from the
40 taxpayer's tax for such year or years.

41 § 2. This act shall take effect immediately and shall apply to taxable
42 years commencing on and after January 1, 2022.

43

PART OO

44 Section 1. Paragraph (a) of subdivision 4 of section 189 of the state
45 finance law, as amended by section 8 of part A of chapter 56 of the laws
46 of 2013, is amended to read as follows:

47 (a) This section shall apply to claims, records, [or] statements, and
48 obligations made under the tax law only if (i) the net income or sales
49 of the person against whom the action is brought equals or exceeds one
50 million dollars for any taxable year subject to any action brought
51 pursuant to this article; and (ii) the damages pleaded in such action
52 exceed three hundred [and] fifty thousand dollars[; and (iii) the person
53 is alleged to have violated paragraph (a), (b), (c), (d), (e), (f) or
54 (g) of subdivision one of this section; provided, however, that nothing

1 in this subparagraph shall be deemed to modify or restrict the applica-
 2 tion of such paragraphs to any act alleged that relates to a violation
 3 of the tax law].

4 § 2. This act shall take effect immediately and shall apply to all
 5 false claims, records, statements and obligations concealed, avoided or
 6 decreased on, prior to, or after such effective date.

7

PART PP

8 Section 1. Subparagraph (B) of paragraph 1 of subsection (a) of
 9 section 1115 of the tax law, as amended by section 1 of part SS of chap-
 10 ter 59 of the laws of 2021, is amended to read as follows:

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

19 § 2. This act shall take effect immediately.

20

PART QQ

21 Section 1. Paragraph (e) of subdivision 1 of section 536 of the real
 22 property tax law, as amended by section 4 of part CC of chapter 58 of
 23 the laws of 2018, is amended to read as follows:

24 (e) Lands owned by the state, within the core preservation area of the
 25 Central Pine Barrens area as described and bounded by subdivision eleven
 26 of section 57-0107 of the environmental conservation law, situate in the
 27 following school districts:

28 County	School District	Town
29 Suffolk	Rocky Point Union Free	Brookhaven
30	school district	
31	[Eastport Union Free school]	Brookhaven
32	[district] <u>Eastport-South</u>	Southampton
33	<u>Manor Central school</u>	
34	<u>district</u>	
35	Longwood Central school	Brookhaven
36	district	
37	Riverhead Central school	Brookhaven
38	district	Riverhead
39		Southampton
40	Hampton Bays Union Free	Southampton
41	school district	
42	Shoreham-Wading River	Brookhaven
43	Central school	Riverhead
44	district	

45 § 2. This act shall take effect immediately.

46

PART RR

1 Section 1. Subparagraph (ii) of paragraph (b) of subdivision 4 of
2 section 425 of the real property tax law, as amended by section 1 of
3 part B of chapter 59 of the laws of 2018, is amended to read as follows:

4 (ii) The term "income" as used herein shall mean the "adjusted gross
5 income" for federal income tax purposes as reported on the applicant's
6 federal or state income tax return for the applicable income tax year,
7 subject to any subsequent amendments or revisions, reduced by distrib-
8 utions, to the extent included in federal adjusted gross income,
9 received from an individual retirement account and an individual retire-
10 ment annuity, and for other pensions and annuities, as such term is
11 defined in paragraph three-a of subsection (c) of section six hundred
12 twelve of the tax law, received by an individual who has attained the
13 age of fifty-nine and one-half years, but not in excess of twenty thou-
14 sand dollars; provided that if no such return was filed for the applica-
15 ble income tax year, "income" shall mean the adjusted gross income that
16 would have been so reported if such a return had been filed. Provided
17 further, that effective with exemption applications for final assessment
18 rolls to be completed in two thousand nineteen, where an income-eligi-
19 bility determination is wholly or partly based upon the income of one or
20 more individuals who did not file a return for the applicable income tax
21 year, then in order for the application to be considered complete, each
22 such individual must file a statement with the department showing the
23 source or sources of his or her income for that income tax year, and the
24 amount or amounts thereof, that would have been reported on such a
25 return if one had been filed. Such statement shall be filed at such
26 time, and in such form and manner, as may be prescribed by the depart-
27 ment, and shall be subject to the secrecy provisions of the tax law to
28 the same extent that a personal income tax return would be. The depart-
29 ment shall make such forms and instructions available for the filing of
30 such statements. The local assessor shall upon the request of a taxpayer
31 assist such taxpayer in the filing of the statement with the department.
32 § 2. Subparagraph (B) of paragraph 1 of subsection (eee) of section
33 606 of the tax law, as amended by section 10 of part B of chapter 59 of
34 the laws of 2018, is amended to read as follows:

35 (B) "Affiliated income" shall mean for purposes of the basic STAR
36 credit, the combined income of all of the owners of the parcel who
37 resided primarily thereon as of December thirty-first of the taxable
38 year, and of any owners' spouses residing primarily thereon as of such
39 date, and for purposes of the enhanced STAR credit, the combined income
40 of all of the owners of the parcel as of December thirty-first of the
41 taxable year, and of any owners' spouses residing primarily thereon as
42 of such date; provided that for both purposes the income to be so
43 combined shall be the "adjusted gross income" for the taxable year as
44 reported for federal income tax purposes, or that would be reported as
45 adjusted gross income if a federal income tax return were required to be
46 filed, reduced by distributions, to the extent included in federal
47 adjusted gross income, received from an individual retirement account
48 and an individual retirement annuity, and for other pensions and annui-
49 ties, as such term is defined in paragraph three-a of subsection (c) of
50 section six hundred twelve of this article, received by an individual
51 who has attained the age of fifty-nine and one-half years, not in excess
52 of twenty thousand dollars. For taxable years beginning on and after
53 January first, two thousand nineteen, where an income-eligibility deter-
54 mination is wholly or partly based upon the income of one or more indi-
55 viduals who did not file a return pursuant to section six hundred
56 fifty-one of this article for the applicable income tax year, then in



1 order to be eligible for the credit authorized by this subsection, each
 2 such individual must file a statement with the department showing the
 3 source or sources of his or her income for that income tax year, and the
 4 amount or amounts thereof, that would have been reported on such a
 5 return if one had been filed. Such statement shall be filed at such
 6 time, and in such form and manner, as may be prescribed by the depart-
 7 ment, and shall be subject to the provisions of section six hundred
 8 ninety-seven of this article to the same extent that a return would be.
 9 The department shall make such forms and instructions available for the
 10 filing of such statements. The local assessor shall upon the request of
 11 a taxpayer assist such taxpayer in the filing of the statement with the
 12 department. Provided further, that if the qualified taxpayer was an
 13 owner of the property during the taxable year but did not own it on
 14 December thirty-first of the taxable year, then the determination as to
 15 whether the income of an individual should be included in "affiliated
 16 income" shall be based upon the ownership and/or residency status of
 17 that individual as of the first day of the month during which the quali-
 18 fied taxpayer ceased to be an owner of the property, rather than as of
 19 December thirty-first of the taxable year.
 20 § 3. This act shall take effect on the first of January next succeed-
 21 ing the date on which it shall have become a law.

22

PART SS

23 Section 1. Article 4 of the real property tax law is amended by adding
 24 a new title 6 to read as follows:

TITLE 6

CHILD CARE CENTER TAX ABATEMENT FOR CERTAIN PROPERTIES IN A CITY
HAVING A POPULATION OF ONE MILLION OR MORE

25 Section 499-aaaaa. Definitions.

26 499-bbbbb. Real property tax abatement.

27 499-ccccc. Application for tax abatement.

28 499-ddddd. Continuing requirements.

29 499-eeee. Revocation of tax abatement.

30 499-ffff. Enforcement and administration.

31 § 499-aaaaa. Definitions. When used in this title, the following terms
 32 shall have the following meanings:

33 1. "Abatement period" means the tax year or tax years in which the
 34 abatement is applied by the department of finance to the real property
 35 tax liability of an eligible building, provided that such abatement
 36 shall not be applied to the real property tax liability of such building
 37 during more than five tax years.

38 2. "Applicant" means an owner who files an application for tax abate-
 39 ment.

40 3. "Application for tax abatement" means an application for a child-
 41 care center tax abatement pursuant to section four hundred ninety-nine-
 42 cccc of this title.

43 4. "Childcare center" means a child care program for which a permit to
 44 operate such program has been issued by the department of health and
 45 mental hygiene pursuant to the health code of the city.

46 5. "Childcare desert" means a census tract in a city having a popu-
 47 lation of one million or more where, at the time of an application for
 48 tax abatement, there are three or more children under five years of age
 49 for each available childcare slot, or where there are no available
 50 childcare slots, as determined by the office of children and family
 51 services.



1 6. "City" means a city with a population of a million or more.

2 7. "Cost-reasonable" means having a cost that, in its nature and
3 amount, does not exceed that which would be incurred by a prudent person
4 under the circumstances prevailing at the time the decision was made to
5 incur such cost.

6 8. "Department of finance" means the department of finance of a city
7 having a population of one million or more.

8 9. "Department of health and mental hygiene" means the department of
9 health and mental hygiene of a city having a population of one million
10 or more.

11 10. "Designated agency" means an agency of a city having a population
12 of one million or more that is designated by the mayor of such city to
13 exercise the functions, powers and duties of a designated agency pursu-
14 ant to this title.

15 11. "Eligible building" shall mean a class one, class two or class
16 four property, as such classes of property are defined in subdivision
17 one of section eighteen hundred two of this chapter, located within a
18 city having a population of one million or more, provided that, for any
19 such property held in the condominium form of ownership, "eligible
20 building" shall mean a tax lot in such property.

21 12. "Owner" means the owner of an eligible building, or with respect
22 to an eligible building held in the cooperative form of ownership, the
23 board of directors of a cooperative apartment corporation, or, with
24 respect to an eligible building held in the condominium form of owner-
25 ship, an owner of a tax lot in such building or the board of managers of
26 such building.

27 13. "Premises" means the location of a childcare center as specified
28 on the permit for the operation of such center issued by the department
29 of health and mental hygiene pursuant to the health code of the city.

30 § 499-bbbbb. Real property tax abatement. 1. The department of finance
31 shall provide an abatement of real property taxes pursuant to this
32 section to an eligible building in which construction, conversion,
33 alteration or improvement that is completed on or after April first, two
34 thousand twenty-two has resulted in the creation of a premises of a
35 childcare center or in an increase in the maximum number of children
36 allowed on the premises of an existing childcare center when such center
37 is in operation, as such number is specified in the permit issued by the
38 department of health and mental hygiene to operate such center. The
39 department of finance may only grant one such abatement to any eligible
40 building.

41 2. (a) Beginning in the tax year commencing on or after July first,
42 two thousand twenty-three, the amount of such tax abatement provided to
43 an eligible building described in subdivision one of this section shall
44 be equal to the costs incurred in the construction, conversion, alter-
45 ation or improvement that has resulted in the creation of a premises of
46 a childcare center or in an increase in the maximum number of children
47 allowed on the premises of an existing childcare center, provided that
48 such costs are certified in accordance with paragraph (d) of subdivision
49 two of section four hundred ninety-nine-cccc of this title, and
50 provided further that, during the abatement period, the amount of such
51 abatement shall not exceed thirty-five dollars for each square foot of
52 the premises, nor exceed one hundred thousand dollars.

53 (i) For any tax year, such abatement shall not exceed seven dollars
54 for each square foot of the premises, provided that such amount may be
55 reduced as a result of an allocation of available funds for such abate-
56 ment pursuant to paragraph (d) of this subdivision; and provided,



1 further, that the amount of such tax abatement in any tax year shall not
2 exceed the lesser of (A) twenty thousand dollars or (B) the real proper-
3 ty tax liability for the eligible building in the tax year in which such
4 tax abatement is taken.

5 (ii) To the extent the amount of such tax abatement exceeds the lesser
6 of (A) twenty thousand dollars or (B) the real property tax liability of
7 the eligible building in any tax year, any amount of such tax abatement
8 that remains may be applied to the real property tax liability of such
9 building in succeeding tax years, provided that such abatement must be
10 applied to the real property tax liability of such building in one or
11 more of the four tax years succeeding the tax year in which such tax
12 abatement was initially taken.

13 (b) Notwithstanding paragraph (a) of this subdivision, an enhanced tax
14 abatement shall be provided to an eligible building described in subdi-
15 vision one of this section that is located within a childcare desert as
16 described in this title and in any rules promulgated hereunder. Begin-
17 ning in the tax year commencing on or after July first, two thousand
18 twenty-three, the amount of such enhanced tax abatement shall be equal
19 to the costs incurred in the construction, conversion, alteration or
20 improvement that has resulted in the creation of a premises of a child-
21 care center or in an increase in the maximum number of children allowed
22 on the premises of an existing childcare center, provided that such
23 costs are certified in accordance with paragraph (d) of subdivision two
24 of section four hundred ninety-nine-cccc of this title, and provided
25 further that, during the abatement period, the amount of such abatement
26 shall not exceed seventy-five dollars for each square foot of the prem-
27 ises nor exceed two hundred twenty-five thousand dollars.

28 (i) For any tax year, such abatement shall not exceed fifteen dollars
29 for each square foot of the premises, provided that such amount may be
30 reduced as a result of an allocation of available funds for such abate-
31 ment pursuant to paragraph (d) of this subdivision; and provided further
32 that the amount of such enhanced tax abatement in any tax year shall not
33 exceed the lesser of (A) forty-five thousand dollars or (B) the real
34 property tax liability for the eligible building in the tax year in
35 which such tax abatement is taken.

36 (ii) To the extent the amount of such enhanced tax abatement exceeds
37 the lesser of (A) forty-five thousand dollars or the (B) real property
38 tax liability of the eligible building in any tax year, any amount of
39 such tax abatement that remains may be applied to the real property tax
40 liability of such building in succeeding tax years, provided that such
41 abatement shall be applied to the real property tax liability of such
42 building in one or more of the four tax years succeeding the tax year in
43 which the tax abatement was initially taken.

44 (c) Notwithstanding paragraph (a) or (b) of this subdivision, the
45 aggregate amount of tax abatements authorized pursuant to this section
46 for any tax year shall be a maximum of twenty-five million dollars. No
47 tax abatements shall be authorized pursuant to this section for any tax
48 year commencing on or after July first, two thousand thirty.

49 (d) Such aggregate amount of tax abatements, including the tax abate-
50 ment described in paragraph (a) of this subdivision and the enhanced tax
51 abatement described in paragraph (b) of this subdivision, shall be allo-
52 cated by the department of finance on a pro rata basis among applicants
53 whose applications have been approved by the designated agency. If such
54 allocation is not made prior to the date that the real property tax
55 bill, statement of account or other similar bill or statement is
56 prepared, the department of finance shall, as necessary, after such

1 allocation is made, submit an amended real property tax bill, statement
2 of account or other similar bill or statement to any applicant whose
3 abatement requires adjustment to reflect such allocation. Nothing in
4 this paragraph shall be deemed to affect the obligation of any taxpayer
5 under applicable law with respect to the payment of any installment of
6 real property tax for the fiscal year as to which such allocation is
7 made, which was due and payable prior to the date such amended real
8 property tax bills are sent, and the department of finance shall be
9 authorized to determine the date on which any such amended bills be sent
10 and the installments of real property tax be reflected therein.

11 (e) Notwithstanding any law to the contrary, any abatement granted to
12 an eligible building pursuant to this section shall be in addition to
13 any other abatement or exemption granted to such building, provided that
14 any abatement granted under this section shall be applied after any
15 other abatement or exemption granted to such building, and provided
16 further that the application of this abatement after any other such
17 exemption or abatement shall not exceed the real property tax liability
18 due on such eligible property.

19 3. Such abatement shall commence on the first of July following the
20 approval of an application for abatement by the designated agency.

21 4. If, as a result of application to the tax commission or a court
22 order or action by the department of finance, the billable assessed
23 value of the eligible building for the fiscal year in which the tax
24 abatement is taken is reduced after the assessment roll becomes final,
25 the department of finance shall recalculate such abatement so that the
26 abatement granted shall not exceed the annual tax liability of such
27 building as so reduced. The amount equal to the difference between the
28 initial abatement granted by the department and the abatement as so
29 recalculated shall be deducted from any refund otherwise payable or
30 remission otherwise due as a result of such reduction in billable
31 assessed value.

32 § 499-cccc. Application for tax abatement. 1. To obtain a tax abate-
33 ment authorized by this title, an application for tax abatement shall be
34 filed with a designated agency no later than the fifteenth of March
35 before the tax year, commencing on the first of July, for which the tax
36 abatement authorized by this title is sought, provided, however, that
37 such application for tax abatement shall not be filed later than March
38 fifteenth, two thousand twenty-five.

39 2. Such application shall contain the following:

40 (a) The name, address and electronic mail address of the applicant and
41 the location of the eligible building.

42 (b) Proof that all required permits and other approvals, as further
43 designated by rule, to construct, convert, alter or improve the premises
44 of the childcare center in the eligible building described in subdivi-
45 sion one of section four hundred ninety-nine-bbbbb of this title were
46 obtained.

47 (c) Proof that the applicant has entered into a lease or other agree-
48 ment with a person to operate a childcare center in the eligible build-
49 ing described in subdivision one of section four hundred ninety-nine-
50 bbbb of this title, or a copy of the new or amended permit issued to
51 such childcare center by the department of health and mental hygiene for
52 such operation.

53 (d) Determinations that have been certified, in a form prescribed by
54 the designated agency, by an engineer, architect, or certified public
55 accountant, licensed and registered pursuant to the education law, or by

1 another certified or licensed professional in the field of business or
2 design, as further designated by rule, as follows:

3 (i) The area, in square feet, of the premises of the childcare center
4 in the eligible building described in subdivision one of section four
5 hundred ninety-nine-bbbbb of this title;

6 (ii) The costs incurred in the construction, conversion, alteration or
7 improvement that has resulted in the creation of a premises of a child-
8 care center in such building; or, for construction, conversion, alter-
9 ation or improvement resulting in an increase in the maximum number of
10 children allowed on the premises of an existing childcare center in such
11 building, such costs that were necessary to increase the maximum number
12 of children allowed on such premises; and

13 (iii) The reasonableness of the costs to construct, convert, alter or
14 improve the premises of the childcare center in the eligible building
15 described in subdivision one of section four hundred ninety-nine-bbbbb
16 of this title, which requires finding that such costs were cost-reasona-
17 ble and comparable to the cost of constructing, converting, altering or
18 improving a premises of a childcare center pursuant to the health code
19 of the city in a similar eligible building.

20 (e) Any other information or certifications required by a designated
21 agency pursuant to this title and the rules promulgated under this
22 title.

23 3. An application for tax abatement shall be in any format prescribed
24 by a designated agency, including electronic form.

25 4. An application for tax abatement shall be approved by a designated
26 agency upon determining that the applicant has submitted proof accepta-
27 ble to such agency that the requirements for obtaining such tax abate-
28 ment have been satisfied. The burden of proof shall be on the applicant
29 to show by clear and convincing evidence that the requirements for
30 granting such tax abatement have been satisfied.

31 5. Upon receipt of notification from a designated agency that an
32 application for tax abatement has been approved, the department of
33 finance shall apply such tax abatement to the real property tax liabil-
34 ity of the eligible building for the tax year for which the abatement
35 was sought, provided that there are no outstanding real property taxes,
36 water and sewer charges, payments in lieu of taxes or other municipal
37 charges with respect to the eligible building.

38 § 499-ddddd. Continuing requirements. Granting of the tax abatement
39 authorized by this title shall require that an owner whose application
40 for tax abatement has been approved:

41 1. Complies with all applicable provisions of law, including but not
42 limited to, the local health, building and fire codes; and

43 2. Does not have real property taxes, water and sewer charges,
44 payments in lieu of taxes or other municipal charges with respect to an
45 eligible building due and owing during the abatement period for a period
46 of six months or more.

47 § 499-eeee. Revocation of tax abatement. 1. Notwithstanding any
48 provision of law to the contrary, the department of finance shall
49 revoke, in whole or in part, any tax abatement granted pursuant to this
50 title whenever a designated agency has determined and notified such
51 department that:

52 (a) The childcare center in the eligible building of the owner whose
53 application for tax abatement has been approved has ceased operation as
54 a childcare center for a period exceeding one hundred eighty days of the
55 abatement period, except when such childcare center ceases operation due
56 to an act or event beyond the control and without any fault or negli-

1 gence of the childcare center or of the owner of the eligible building
2 in which such childcare center operates, which shall include, but is not
3 limited to, fire, flood, earthquake, storm or other natural disaster,
4 civil commotion, war, terrorism, riot, and labor disputes not brought
5 about by any act or omission of such childcare center or such owner;

6 (b) An application, certification, report or other document submitted
7 by the owner whose application for tax abatement has been approved
8 contains a false or misleading statement as to a material fact or omits
9 to state any material fact necessary in order to make the statement
10 therein not false or misleading.

11 2. The department of finance may revoke, in whole or in part, any tax
12 abatement granted pursuant to this title whenever it has determined that
13 an owner whose application for tax abatement has been approved has
14 outstanding real property taxes, water and sewer charges, payments in
15 lieu of taxes or other municipal charges that have been due and owing
16 during the abatement period for a period of six months or more.

17 3. Upon a determination by a designated agency, after notice and an
18 opportunity to be heard, that the childcare center in the eligible
19 building of the owner whose application for tax abatement has been
20 approved has ceased operation as a childcare center for a period exceed-
21 ing one hundred eighty days of the abatement period, such agency shall
22 notify the department of finance of such determination no later than the
23 ninetieth day after such determination was reached.

24 4. An owner whose application for tax abatement has been approved, and
25 for whom such tax abatement has been revoked due to a false or mislead-
26 ing statement, or an omission, pursuant to paragraph (b) of subdivision
27 one of this section, shall pay, with interest, such part of any tax
28 abatement received pursuant to this title that represents the period of
29 non-compliance as determined by the designated agency or the department
30 of finance, as the case may be.

31 § 499-ffff. Enforcement and administration. 1. The department of
32 finance shall have, in addition to any other functions, powers and
33 duties conferred on it by law, the following functions, powers and
34 duties to be exercised in accordance with this title:

35 (a) To apply the tax abatement authorized by this title to the real
36 property tax liability of an eligible building;

37 (b) To revoke all or part of any such tax abatement;

38 (c) To promulgate rules to carry out the purposes of this title,
39 including, but not limited to, requiring, notwithstanding any inconsis-
40 ent provision of law, that any submission be made in electronic form;
41 and

42 (d) Any other function, power or duty necessarily implied by this
43 title.

44 2. A designated agency shall have, in addition to any other functions,
45 powers and duties conferred on it by law, the following functions,
46 powers and duties to be exercised in accordance with this title:

47 (a) To accept, review, approve and deny applications for tax abate-
48 ment;

49 (b) To promulgate rules to carry out the purposes of this title,
50 including, but not limited to, requiring, notwithstanding any inconsis-
51 ent provision of law, that any submission be made in electronic form;

52 (c) To make the determinations provided for in this title; and

53 (d) Any other function, power or duty necessarily implied by this
54 title.

55 3. If a designated agency determines that an architect, engineer,
56 certified public accountant, or other certified or licensed professional



1 in the field of business or design whom such agency designates by rule,
2 in making any certification under this title or any rule promulgated
3 hereunder, engaged in professional misconduct, such agency shall so
4 inform the education department or other appropriate certifying or
5 licensing authority.

6 § 2. This act shall take effect immediately, and shall apply to tax
7 years beginning on and after July 1, 2023.

8

PART TT

9 Section 1. Paragraph 1 of subsection (f) of section 1310 of the tax
10 law, as added by section 2 of part V of chapter 60 of the laws of 2004,
11 is amended to read as follows:

12 (1) Notwithstanding any other provision of law to the contrary, any
13 city having a population of one million or more, acting through its
14 local legislative body, is hereby authorized and empowered to adopt and
15 amend local laws granting in any such city, for taxable years beginning
16 after two thousand three, a credit against the city personal income tax
17 equal to five percent of the earned income credit allowed under section
18 thirty-two of the internal revenue code for the same taxable year, and,
19 for taxable years beginning after two thousand twenty-one, a credit
20 against the city personal income tax equal to a percentage, determined
21 pursuant to subparagraphs (A) through (I) of this paragraph, of the
22 earned income credit allowed under section thirty-two of the internal
23 revenue code for the same taxable year. For purposes of this paragraph,
24 "adjusted gross income" means New York adjusted gross income as deter-
25 mined pursuant to article twenty-two of this chapter. The percentage
26 shall be:

27 (A) thirty percent, where the taxpayer's adjusted gross income for
28 such taxable year is less than five thousand dollars;

29 (B) thirty percent reduced by the product of two-tenths of a percent-
30 age point (0.002) and the amount of the taxpayer's adjusted gross income
31 for such taxable year in excess of forty-nine hundred ninety-nine
32 dollars, where such taxpayer's adjusted gross income for such taxable
33 year is equal to or greater than five thousand dollars and less than
34 seventy-five hundred dollars;

35 (C) twenty-five percent, where the taxpayer's adjusted gross income
36 for such taxable year is equal to or greater than seventy-five hundred
37 dollars and less than fifteen thousand dollars;

38 (D) twenty-five percent reduced by the product of two-tenths of a
39 percentage point (0.002) and the amount of the taxpayer's adjusted gross
40 income for such taxable year in excess of fourteen thousand nine hundred
41 ninety-nine dollars, where such taxpayer's adjusted gross income for
42 such taxable year is equal to or greater than fifteen thousand dollars
43 and less than seventeen thousand five hundred dollars;

44 (E) twenty percent, where the taxpayer's adjusted gross income for
45 such taxable year is equal to or greater than seventeen thousand five
46 hundred dollars and less than twenty thousand dollars;

47 (F) twenty percent reduced by the product of two-tenths of a percent-
48 age point (0.002) and the amount of the taxpayer's adjusted gross income
49 for such taxable year in excess of nineteen thousand nine hundred nine-
50 ty-nine dollars, where such taxpayer's adjusted gross income for such
51 taxable year is equal to or greater than twenty thousand dollars and
52 less than twenty-two thousand five hundred dollars;

1 (G) fifteen percent, where the taxpayer's adjusted gross income for
2 such taxable year is equal to or greater than twenty-two thousand five
3 hundred dollars and less than forty thousand dollars;

4 (H) fifteen percent reduced by the product of two-tenths of a percent-
5 age point (0.002) and the amount of the taxpayer's adjusted gross income
6 for such taxable year in excess of thirty-nine thousand nine hundred
7 ninety-nine dollars, where such taxpayer's adjusted gross income for
8 such taxable year is equal to or greater than forty thousand dollars and
9 less than forty-two thousand five hundred dollars; and

10 (I) ten percent where the taxpayer's adjusted gross income for such
11 taxable year is equal to or greater than forty-two thousand five hundred
12 dollars.

13 § 2. Paragraph 1 of subdivision (d) of section 11-1706 of the adminis-
14 trative code of the city of New York, as added by local law number 39
15 for the year 2004, is amended to read as follows:

16 (1) For taxable years beginning after two thousand three, a credit
17 against the city personal income tax shall be allowed, equal to five
18 percent of the earned income credit allowed under section thirty-two of
19 the internal revenue code for the same taxable year, and, for taxable
20 years beginning after two thousand twenty-one, a credit against the city
21 personal income tax shall be allowed, equal to a percentage determined
22 pursuant to subparagraphs (A) through (I) of this paragraph, of the
23 earned income credit allowed under section thirty-two of the internal
24 revenue code for the same taxable year. For purposes of this paragraph,
25 "adjusted gross income" means New York adjusted gross income as deter-
26 mined pursuant to article twenty-two of the tax law. The percentage
27 shall be:

28 (A) thirty percent, where the taxpayer's adjusted gross income for
29 such taxable year is less than five thousand dollars;

30 (B) thirty percent reduced by the product of two-tenths of a percent-
31 age point (0.002) and the amount of the taxpayer's adjusted gross income
32 for such taxable year in excess of forty-nine hundred ninety-nine
33 dollars, where such taxpayer's adjusted gross income for such taxable
34 year is equal to or greater than five thousand dollars and less than
35 seventy-five hundred dollars;

36 (C) twenty-five percent, where the taxpayer's adjusted gross income
37 for such taxable year is equal to or greater than seventy-five hundred
38 dollars and less than fifteen thousand dollars;

39 (D) twenty-five percent reduced by the product of two-tenths of a
40 percentage point (0.002) and the amount of the taxpayer's adjusted gross
41 income for such taxable year in excess of fourteen thousand nine hundred
42 ninety-nine dollars, where such taxpayer's adjusted gross income for
43 such taxable year is equal to or greater than fifteen thousand dollars
44 and less than seventeen thousand five hundred dollars;

45 (E) twenty percent, where the taxpayer's adjusted gross income for
46 such taxable year is equal to or greater than seventeen thousand five
47 hundred dollars and less than twenty thousand dollars;

48 (F) twenty percent reduced by the product of two-tenths of a percent-
49 age point (0.002) and the amount of such taxpayer's adjusted gross
50 income for such taxable year in excess of nineteen thousand nine hundred
51 ninety-nine dollars, where the taxpayer's adjusted gross income for such
52 taxable year is equal to or greater than twenty thousand dollars and
53 less than twenty-two thousand five hundred dollars;

54 (G) fifteen percent, where the taxpayer's adjusted gross income for
55 such taxable year is equal to or greater than twenty-two thousand five
56 hundred dollars and less than forty thousand dollars;

1 (H) fifteen percent reduced by the product of two-tenths of a percent-
2 age point (0.002) and the amount of the taxpayer's adjusted gross income
3 for such taxable year in excess of thirty-nine thousand nine hundred
4 ninety-nine dollars, where such taxpayer's adjusted gross income for
5 such taxable year is equal to or greater than forty thousand dollars and
6 less than forty-two thousand five hundred dollars; and

7 (I) ten percent where the taxpayer's adjusted gross income for such
8 taxable year is equal to or greater than forty-two thousand five hundred
9 dollars.

10 § 3. This act shall take effect immediately, and shall apply to taxa-
11 ble years beginning on and after January 1, 2022.

12 PART UU

13 Section 1. The administrative code of the city of New York is amended
14 by adding a new section 11-144 to read as follows:

15 § 11-144 Child care credit against certain business income taxes. a.
16 Definitions. For purposes of this section:

17 1. Child care program. The term "child care program" means a child
18 care program for which a permit to operate such program has been issued
19 by the department of health and mental hygiene pursuant to article
20 forty-seven of the health code.

21 2. Child care rate. The term "child care rate" means the weekly child
22 care subsidy market rates, based on the sixty-ninth percentile of the
23 2017-18 New York state child care market rate survey, for infant and
24 toddler care provided by a permitted day care center in county cluster
25 five, as reflected in the 2019 child care market rate survey report
26 published by the New York state office of children and family services
27 in compliance with section 98.45 of title forty-five of the code of
28 federal regulations, provided that the department of finance may, by
29 rule, revise such rates based on subsequent editions of the child care
30 market rate survey report, as published by such office, or any other
31 similar report published by such office in compliance with such section.

32 3. Child care seats. The term "child care seats" means the maximum
33 number of children to be allowed on the premises of a child care program
34 at any time that such program is in operation as specified on the permit
35 issued for such program by the department of health and mental hygiene.

36 4. Child care seats that are occupied. The term "child care seats that
37 are occupied" means, for each service year in which a child care program
38 is in operation, the average daily number of children in attendance on
39 the premises of such child care program.

40 5. Creates child care. The term "creates child care" means the making
41 available of child care seats in a child care program by a taxpayer,
42 directly or through a third party, for employees of such taxpayer, where
43 such child care program was not available prior to April first, two
44 thousand twenty-two, provided that the costs imposed on such employees
45 for such child care program do not exceed forty percent of the child
46 care rate.

47 6. Expands child care. The term "expands child care" means the
48 increase in the number of child care seats in a child care program made
49 available by a taxpayer, directly or through a third party, for employ-
50 ees of such taxpayer, provided that such increase requires a new or
51 amended permit issued by the department of health and mental hygiene
52 pursuant to article forty-seven of the health code on or after April
53 first, two thousand twenty-two, and, provided, further, that the costs

1 imposed on such employees for such child care program do not exceed
2 forty percent of the child care rate.

3 7. Service year. The term "service year" means the twelve-month period
4 commencing on October first and ending on September thirtieth in the
5 subsequent calendar year.

6 b. Credit allowed. A taxpayer that creates child care or expands child
7 care shall be allowed a credit against the tax imposed by chapter five,
8 or by subchapter two or three-a of chapter six, of this title to be
9 credited or refunded, without interest, in accordance with the
10 provisions of subdivision (g) of section 11-503, subdivision twenty-
11 three of section 11-604 and subdivision twenty-three of section 11-654
12 of this title. The amount of such credit shall be, for the portion of
13 the service year in which the child care program was in operation, the
14 sum of: (i) the product of the number of infant child care seats that
15 have been created or expanded and twenty percent of the child care rate
16 for such infant child care seats; and (ii) the product of the number of
17 toddler child care seats that have been created or expanded and twenty
18 percent of the child care rate for such toddler child care seats;
19 provided that such infant and toddler child care seats are child care
20 seats that are occupied. Notwithstanding the preceding sentence, a cred-
21 it shall not be allowed for more than twenty-five child care seats that
22 are occupied, and the amount of such credit may be reduced as a result
23 of an allocation of available funds, as described in subdivision e of
24 this section, for such credit.

25 c. Application process. A taxpayer must submit an application for such
26 credit by November first of the calendar year in which the service year
27 has ended.

28 1. Such application shall include but not be limited to:

29 (a) a permit issued by the department of health and mental hygiene to
30 operate a child care center indicating the number of child care seats
31 or, in the case of a child care center that has experienced an expansion
32 of child care seats, a permit issued by such department demonstrating
33 such expansion; and

34 (b) a certification from an independent certified public accountant
35 that provides:

36 (1) the total number of child care seats that are child care seats
37 that are occupied during such service year;

38 (2) of such total number of child care seats that are occupied, the
39 number of infant child care seats that are occupied and the number of
40 toddler child care seats that are occupied; and

41 (3) to the extent the taxpayer has expanded child care, the number of
42 child care seats in existence before such expansion and the number of
43 such child care seats that were occupied before such expansion.

44 2. No later than January thirty-first of the calendar year following
45 the calendar year in which the application was submitted, the department
46 of finance shall approve or deny such application and provide a calcu-
47 lation of the amount of such credit as determined by subdivision e of
48 this section for any application that has been approved.

49 d. Application of credit to tax year. The credit, as approved and
50 calculated by the department of finance pursuant to paragraph two of
51 subdivision c of this section, shall be applied to the tax year in which
52 the service year concludes, except that: (i) for a taxpayer whose tax
53 year concludes on or after September thirtieth and before December thir-
54 ty-first, the credit shall be applied to the tax year immediately
55 following the tax year in which the service year concludes; and (ii) to
56 provide the credit in a tax year consistent with this subdivision, the

1 department of finance may establish procedures governing the application
2 of such credit where the tax year of a taxpayer who has applied for such
3 credit is less than twelve months, or where such tax year varies in
4 accordance with subsection f of section four hundred forty-one of the
5 internal revenue code.

6 e. Maximum amount of credit available. For each of the three tax years
7 in which the credit authorized by this section is available, the aggre-
8 gate amount of such credit shall be a maximum of twenty-five million
9 dollars. To the extent that the department of finance has determined
10 that the aggregate amount of such credit, as calculated pursuant to
11 subdivision b of this section, would exceed twenty-five million dollars,
12 such department shall reduce the amount of credit to be granted to each
13 taxpayer who has applied for such credit in accordance with a process to
14 be developed in rules promulgated by such department. In developing such
15 process, the department may consider factors including, but not limited
16 to, the date of application, the number of child care seats in a child
17 care program that are occupied, and the extent to which the taxpayer
18 bears the cost of the child care that is provided to the employees of
19 such taxpayer.

20 § 2. Section 11-503 of the administrative code of the city of New York
21 is amended by adding a new subdivision (q) to read as follows:

22 (q) Credit for the provision of child care. In addition to any other
23 credit allowed under this section, a taxpayer whose application for a
24 credit authorized by section 11-144 of this title has been approved by
25 the department of finance shall be allowed a credit against the tax
26 imposed by this chapter. The amount of the credit shall be determined as
27 provided in such section. To the extent the amount of the credit allowed
28 by this subdivision exceeds the amount of tax due pursuant to this chap-
29 ter, as calculated without such credit, such excess amount shall be
30 treated as an overpayment of tax to be credited or refunded in accord-
31 ance with the provisions of section 11-526 of this chapter, provided,
32 however, that notwithstanding the requirements of section 11-528 of this
33 chapter to the contrary, no interest shall be paid thereon.

34 § 3. Section 11-604 of the administrative code of the city of New York
35 is amended by adding a new subdivision 23 to read as follows:

36 (23) Credit for the provision of child care. In addition to any other
37 credit allowed under this section, a taxpayer whose application for a
38 credit authorized by section 11-144 of this title has been approved by
39 the department of finance shall be allowed a credit against the tax
40 imposed by this chapter. The amount of the credit shall be determined as
41 provided in such section. To the extent the amount of the credit allowed
42 by this subdivision exceeds the amount of tax due pursuant to this
43 subchapter, as calculated without such credit, such excess amount shall
44 be treated as an overpayment of tax to be credited or refunded in
45 accordance with the provisions of section 11-677 of this chapter,
46 provided, however, that notwithstanding the requirements of section
47 11-679 of this chapter to the contrary, no interest shall be paid there-
48 on.

49 § 4. Section 11-654 of the administrative code of the city of New York
50 is amended by adding a new subdivision 23 to read as follows:

51 (23) Credit for the provision of child care. In addition to any other
52 credit allowed under this section, a taxpayer whose application for a
53 credit authorized by section 11-144 of this title has been approved by
54 the department of finance shall be allowed a credit against the tax
55 imposed by this chapter. The amount of the credit shall be determined as
56 provided in such section. To the extent the amount of the credit allowed

1 by this subdivision exceeds the amount of tax due pursuant to this
2 subchapter, as calculated without such credit, such excess amount shall
3 be treated as an overpayment of tax to be credited or refunded in
4 accordance with the provisions of section 11-677 of this chapter,
5 provided, however, that notwithstanding the requirements of section
6 11-679 of this chapter to the contrary, no interest shall be paid there-
7 on.

8 § 5. This act shall take effect immediately, provided that the credit
9 authorized by section 11-144 of the administrative code of the city of
10 New York, as added by section one of this act, shall be available to be
11 applied to the tax year beginning between January 1, 2023 and December
12 31, 2023, inclusive of those dates, and to the two tax years immediately
13 following such initial tax year.

14

PART VV

15 Section 1. The tax law is amended by adding a new section 45 to read
16 as follows:

17 § 45. Empire state digital gaming media production credit. (a) Allow-
18 ance of credit. (1) A taxpayer which is a digital gaming media
19 production entity engaged in qualified digital gaming media production,
20 or who is a sole proprietor of or a member of a partnership, which is a
21 digital gaming media production entity engaged in qualified digital
22 gaming media production, and is subject to tax under article nine-A or
23 twenty-two of this chapter, shall be allowed a credit against such tax
24 to be computed as provided herein.

25 (2) The amount of the credit shall be the product (or pro rata share
26 of the product, in the case of a member of a partnership or limited
27 liability company) of twenty-five percent and the eligible production
28 costs of one or more qualified digital gaming media productions.

29 (3) Eligible digital gaming media production costs for a qualified
30 digital gaming media production incurred and paid in this state but
31 outside such metropolitan commuter transportation district shall be
32 eligible for a credit of ten percent of such eligible production costs
33 in addition to the credit specified in paragraph two of this subdivi-
34 sion.

35 (4) Eligible production costs shall not include those costs used by
36 the taxpayer or another taxpayer as the basis calculation of any other
37 tax credit allowed under this chapter or allowed in any other state.

38 (b) Allocation of credit. The aggregate amount of tax credits allowed
39 under this section, subdivision fifty-five of section two hundred ten-B
40 and subsection (nnn) of section six hundred six of this chapter in any
41 taxable year shall be twenty million dollars. The aggregate amount of
42 credits for any taxable year must be distributed on a regional basis as
43 follows: twenty-five percent of the aggregate amount of credits shall be
44 available for qualified digital gaming media productions that incur at
45 least sixty percent of eligible production costs for a qualified digital
46 gaming media production in region one; ten percent of the aggregate
47 amount of credits shall be available for qualified digital gaming media
48 productions that incur at least sixty percent of eligible production
49 costs for a qualified digital gaming media production in region two; and
50 sixty-five percent of the aggregate amount of credits shall be available
51 for qualified digital gaming media productions that incur at least sixty
52 percent of eligible production costs for a qualified digital gaming
53 media production in region three. If such regional distribution is not
54 fully allocated in any taxable year, the remainder of such credits shall



1 be available for allocation to any region in the subsequent tax year.
2 For the purposes of this section region one shall contain the city of
3 New York; region two shall contain the counties of Westchester, Rock-
4 land, Nassau and Suffolk; and region three shall contain any county not
5 contained in regions one and two. Such credit shall be allocated by the
6 empire state development corporation among taxpayers in order of priori-
7 ty based upon the date of filing an application for allocation of
8 digital gaming media production credit with such office. If the total
9 amount of allocated credits applied for in any particular year exceeds
10 the aggregate amount of tax credits allowed for such year under this
11 section, such excess shall be treated as having been applied for on the
12 first day of the subsequent taxable year.

13 (c) Definitions. As used in this section:

14 (1) "Qualified digital gaming media production" means: (i) a website,
15 the digital media production costs of which are paid or incurred predom-
16 inately in connection with (A) video simulation, animation, text,
17 audio, graphics or similar gaming related property embodied in digital
18 format, and (B) interactive features of digital gaming (e.g., links,
19 message boards, communities or content manipulation); (ii) video or
20 interactive games produced primarily for distribution over the internet,
21 wireless network or successors thereto; (iii) animation, simulation or
22 embedded graphics digital gaming related software intended for commer-
23 cial distribution regardless of medium; and (iv) a digital gaming media
24 production in which qualified digital gaming media production costs
25 equal to or are in excess of seven thousand five hundred dollars if
26 incurred and paid in this state in twelve months preceding the date on
27 which the credit is claimed. Provided, however, if such production costs
28 are incurred and paid outside the metropolitan commuter transportation
29 district in this state, such production costs shall be equal to or in
30 excess of three thousand seven hundred fifty dollars to be a qualified
31 digital gaming media production for purposes of this paragraph. A quali-
32 fied digital gaming media production does not include a website, video,
33 interactive game or software that is used predominately for: electronic
34 commerce (retail or wholesale purposes other than the sale of video or
35 interactive games), gambling (including activities regulated by a New
36 York gaming agency), exclusive local consumption for entities not acces-
37 sible by the general public including industrial or other private
38 purposes, and political advocacy purposes.

39 (2) "Digital gaming media production costs" means any costs for prop-
40 erty used and wages or salaries paid to individuals directly employed
41 for services performed by those individuals directly and predominantly
42 in the creation of a digital gaming media production or productions.
43 Digital gaming media production costs include but shall not be limited
44 to payments for property used and services performed directly and
45 predominantly in the development (including concept creation), design,
46 production (including concept creation), design, production (including
47 testing), editing (including encoding) and compositing (including the
48 integration of digital files for interaction by end users) of digital
49 gaming media. Digital gaming media production costs shall not include
50 expenses incurred for the distribution, marketing, promotion, or adver-
51 tising content generated by end-users or other costs not directly and
52 predominantly related to the creation, production or modification of
53 digital gaming media. In addition, salaries or other income distribution
54 related to the creation of digital gaming media for any person who
55 serves in the role of chief executive officer, chief financial officer,
56 president, treasurer or similar position shall not be included as

1 digital gaming media production costs. Furthermore, any income or other
 2 distribution to any individual who holds an ownership interest in a
 3 digital gaming media production entity shall not be included as digital
 4 gaming media production costs.

5 (3) "Qualified digital gaming media production costs" means digital
 6 gaming media production costs only to the extent such costs are attrib-
 7 utable to the use of property or the performance of services by any
 8 persons within the state directly and predominantly in the creation,
 9 production or modification of digital gaming related media. Such total
 10 production costs incurred and paid in this state shall be equal to or
 11 exceed seventy-five percent of total cost of an eligible production
 12 incurred and paid within and without this state.

13 (d) Cross-references. For application of the credit provided for in
 14 this section, see the following provisions of this chapter:

15 (1) Article nine-A: section two hundred ten-B, subdivision fifty-five.

16 (2) Article twenty-two: section six hundred six, subsection (i), para-
 17 graph one, subparagraph (B), clause (xlvi).

18 (3) Article twenty-two: section six hundred six, subsection (nnn).

19 § 2. Section 210-B of the tax law is amended by adding a new subdivi-
 20 sion 55 to read as follows:

21 55. Empire state digital gaming media production credit. (a) Allowance
 22 of credit. A taxpayer who is eligible pursuant to section forty-five of
 23 this chapter shall be allowed a credit to be computed as provided in
 24 such section forty-five against the tax imposed by this article.

25 (b) Application of credit. The credit allowed under this subdivision
 26 for any taxable year shall not reduce the tax due for such year to less
 27 than the amount prescribed in paragraph (d) of subdivision one of
 28 section two hundred ten of this article. Provided, however, that if the
 29 amount of the credit allowable under this subdivision for any taxable
 30 year reduces the tax to such amount, the excess shall be treated as an
 31 overpayment of tax to be credited or refunded in accordance with the
 32 provisions of section one thousand eighty-six of this chapter, provided,
 33 however, no interest shall be paid thereon.

34 § 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
 35 of the tax law is amended by adding a new clause (xlvi) to read as
 36 follows:

37 <u>(xlvi) Empire state digital</u>	<u>Amount of credit</u>
38 <u>gaming media production</u>	<u>under subdivision</u>
39 <u>credit under subsection (nnn)</u>	<u>fifty-five of section</u>
40	<u>two hundred ten-B</u>

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

43 (nnn) Empire state digital gaming media production credit. (1) Allow-
 44 ance of credit. A taxpayer who is eligible pursuant to section forty-
 45 five of this chapter shall be allowed a credit to be computed as
 46 provided in such section forty-five against the tax imposed by this
 47 article.

48 (2) Application of credit. If the amount of the credit allowable under
 49 this subsection for any taxable year exceeds the taxpayer's tax for such
 50 year, the excess shall be treated as an overpayment of tax to be credit-
 51 ed or refunded as provided in section six hundred eighty-six of this
 52 article, provided, however, that no interest shall be paid thereon.

53 § 5. The state commissioner of economic development, after consulting
 54 with the state commissioner of taxation and finance, shall promulgate
 55 regulations by June 30, 2022 to establish procedures for the allocation

1 of tax credits as required by subdivision (a) of section 45 of the tax
2 law. Such rules and regulations shall include provisions describing the
3 application process, the due dates for such applications, the standards
4 which shall be used to evaluate the applications, the documentation that
5 will be provided to taxpayers substantiate to the New York state depart-
6 ment of taxation and finance the amount of tax credits allocated to such
7 taxpayers, under what conditions all or a portion of this tax credit may
8 be revoked, and such other provisions as deemed necessary and appropri-
9 ate. Notwithstanding any other provisions to the contrary in the state
10 administrative procedure act, such rules and regulations may be adopted
11 on an emergency basis if necessary to meet such June 30, 2022 deadline.

12 § 6. The economic development law is amended by adding a new section
13 242 to read as follows:

14 § 242. Reports on the digital gaming industries in New York. 1. The
15 empire state development corporation shall file a report on a biannual
16 basis with the director of the division of the budget and the chair-
17 persons of the assembly ways and means committee and senate finance
18 committee. The report shall be filed no later than thirty days before
19 the mid-point and the end of the state fiscal year. The first report
20 shall cover the calendar half year that begins on January first, two
21 thousand twenty-four. Each report must contain the following informa-
22 tion for the covered calendar half year:

23 (a) the total dollar amount of credits allocated pursuant to section
24 forty-five of the tax law during the half year, broken down by month;

25 (b) the number of digital gaming projects, which have been allocated
26 tax credits of less than one million dollars per project, and the total
27 dollar amount of credits allocated to those projects distributed by
28 region pursuant to subdivision (b) of section forty-five of the tax law;

29 (c) the number of digital gaming projects, which have been allocated
30 tax credits of more than one million dollars, and the total dollar
31 amount of credits allocated to those projects distributed by region
32 pursuant to subdivision (b) of section forty-five of the tax law;

33 (d) a list of each eligible digital gaming project, which has been
34 allocated a tax credit enumerated by region pursuant to subdivision (b)
35 of section forty-five of the tax law, and for each of those projects,
36 (i) the estimated number of employees associated with the project, (ii)
37 the estimated qualifying costs for the projects, (iii) the estimated
38 total costs of the project, (iv) the credit eligible employee hours for
39 each project, and (v) total wages for such credit eligible employee
40 hours for each project; and

41 (e) (i) the name of each taxpayer allocated a tax credit for each
42 project and the county of residence or incorporation of such taxpayer
43 or, if the taxpayer does not reside or is not incorporated in New York,
44 the state of residence or incorporation; however, if the taxpayer claims
45 a tax credit because the taxpayer is a member of a limited liability
46 company, a partner in a partnership or a shareholder in a subchapter S
47 corporation, the name of each limited liability company, partnership or
48 subchapter S corporation earning any of those tax credits must be
49 included in the report instead of information about the taxpayer claim-
50 ing the tax credit, (ii) the amount of tax credit allocated to each
51 taxpayer; provided however, if the taxpayer claims a tax credit because
52 the taxpayer is a member of a limited liability company, a partner in a
53 partnership or a shareholder in a subchapter S corporation, the amount
54 of tax credit earned by each entity must be included in the report
55 instead of information about the taxpayer claiming the tax credit, and
56 (iii) information identifying the project associated with each taxpayer

1 for which a tax credit was claimed under section forty-five of the tax
2 law.

3 2. The empire state development corporation shall file a report on a
4 triennial basis with the director of the division of the budget and the
5 chairpersons of the assembly ways and means committee and senate finance
6 committee. The first report shall be filed no later than March first,
7 two thousand twenty-five. The report must be prepared by an independent
8 third party auditor and include: (a) information regarding the empire
9 state digital gaming production credit program including the efficiency
10 of operations, reliability of financial reporting, compliance with laws
11 and regulations and distribution of assets and funds; (b) an economic
12 impact study prepared by an independent third party of the program with
13 special emphasis on the regional impact by region and the total dollar
14 amount of credits allocated to those projects distributed by region
15 pursuant to subdivision (b) of section forty-five of the tax law; and
16 (c) any other information or statistical information that the commis-
17 sioner of economic development deems to be useful in analyzing the
18 effects of the programs.

19 § 7. This act shall take effect immediately and shall apply to taxable
20 years beginning on January 1, 2022 and before January 1, 2027; provided
21 that sections one through four of this act shall expire and be deemed
22 repealed December 31, 2026.

23

PART WW

24 Section 1. The opening paragraph and paragraph (d) of subdivision 7
25 of section 1367-a of the racing, pari-mutuel wagering and breeding law,
26 as added by section 4 of part Y of chapter 59 of the laws of 2021, are
27 amended to read as follows:

28 A platform provider may be licensed by the commission only after
29 having been selected for potential licensure by the commission following
30 a competitive bidding process in which the commission shall issue a
31 request for applications no later than July first, two thousand twenty-
32 one; provided however, that additional mobile sports wagering licenses
33 may be licensed by the commission only after having been selected for
34 potential licensure by the commission following a competitive bidding
35 process in which the commission shall issue a second request for appli-
36 cations no later than July first, two thousand twenty-two; and provided
37 however, that the deadline for submission of applications shall be no
38 later than thirty days after the date upon which the commission issues
39 such request for applications.

40 (d) The commission shall award a license to each of the [two] highest
41 scoring platform providers that submit applications; provided however,
42 that such awards shall require that [both] winning platform providers
43 pay the same tax rate; and provided further, that the commission shall
44 [require that no less than four] authorize up to sixteen mobile sports
45 wagering operators [will] to be operating in the state. The commission
46 may award additional licenses if it determines that such additional
47 awards are in the best interests of the state; provided however, that
48 any additional platform providers awarded licenses must also agree to
49 pay the same tax rate as those platform providers that were initially
50 awarded licenses by the commission. The award of any such license shall
51 require each applicant to remit the highest percentage of gross gaming
52 revenue from mobile sports wagering contained in an applicant's bid
53 selected by the commission considered for licensure. A qualified appli-
54 cant shall be afforded the ability to revise its bid in any such manner



1 in order for such bid to meet the percentage of gross gaming revenue
2 from mobile sports wagering as required by the commission for license
3 award, provided that the bid does not incorporate any additional opera-
4 tors not already included in the bid; and provided however that it is
5 not determined by the commission that the revised bid no longer meets
6 all requirements and criteria established pursuant to this section and
7 the request for applications. Any applicant that does not revise its bid
8 to meet the percentage of gross gaming revenue from mobile sports wager-
9 ing required by the commission for license award shall not be awarded a
10 license.

11 § 2. Section 1367-a of the racing, pari-mutuel wagering and breeding
12 law is amended by adding two new subdivisions 8 and 9 to read as
13 follows:

14 8. Pursuant to subdivision seven of this section, the commission shall
15 award up to sixteen mobile sports wagering operator licenses.

16 (a) Applicants that participated in the request for proposal issued
17 pursuant to subdivision seven of this section and not awarded a mobile
18 sports wagering license shall be eligible to reapply for consideration
19 pursuant to this subdivision.

20 (b) Nothing herein shall prohibit a platform provider that did not
21 previously respond to the request for application from applying. New
22 applicants shall submit applications demonstrating the criteria outlined
23 in subdivision seven of this section.

24 9. The commission shall establish a goal to award thirty percent of
25 mobile sports wagering licenses pursuant to subdivisions seven and eight
26 of this section to businesses owned by members of a minority group as
27 defined in subdivision eight of section three hundred ten of the execu-
28 tive law.

29 § 3. This act shall take effect immediately.

30 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
31 sion, section or part of this act shall be adjudged by any court of
32 competent jurisdiction to be invalid, such judgment shall not affect,
33 impair, or invalidate the remainder thereof, but shall be confined in
34 its operation to the clause, sentence, paragraph, subdivision, section
35 or part thereof directly involved in the controversy in which such judg-
36 ment shall have been rendered. It is hereby declared to be the intent of
37 the legislature that this act would have been enacted even if such
38 invalid provisions had not been included herein.

39 § 3. This act shall take effect immediately provided, however, that
40 the applicable effective date of Parts A through WW of this act shall be
41 as specifically set forth in the last section of such Parts.