

2000-01 Executive Budget
30-DAY AMENDMENTS
January 31, 2000

**Amendments to Senate 6295, Assembly 9295
(Revenue Article VII bill)**

Addenda to Memorandum In Support for Senate 6295, Assembly 9295 to reflect 30-Day Amendments. These addenda supersede anything to the contrary contained in the original memorandum in support of this bill.

Part A, relating to reform and reduction of taxes on the utility industry, is amended to:

- Make rate changes to Tax Law, section 186-a with respect to rate of tax on receipts derived from the transportation, transmission or distribution of gas or electricity and from the provision of the commodity of gas or electricity. The rates of tax applicable to both are: 1/1/2000 - 2.4%, 1/1/2001 - 2.4%, 1/1/2002 - 2%, 1/1/2003 - 1.5%, 1/1/2004 - .7%, 1/1/2005 - 0%. The rates under Tax Law section 189 have been modified accordingly. It is also to be noted that sales of electric service by the New York State Power Authority are not affected by the amendments to the definition of person in section 186-a of the Tax Law; those sales will continue to be exempt. The Authority enjoys a broad exemption from taxation by reason of its enabling law. The granting of a specific exemption under section 186-a would have been in derogation of the broad exemption from taxation that has been conferred by the Legislature in the Authority's enabling law.
- Add a tax credit for Articles 9-A and 22 of the Tax Law equal to the amount of tax paid or passed through under sections 186-a, 186-c, 189 and 189-a of the Tax Law in the case of an industrial or manufacturing business.

Part C, relating to tax credits in Upstate High Technology Enterprise Zones, is amended to:

- Include a sole proprietor of a qualified new technology company (QNTC) or a member of a partnership which is a QNTC.
- Require the Commissioner of Economic Development to issue "zone" designations by 12/31/01 and permit him or her to make additional designations at any time in calendar years two thousand two through two thousand ten.

Part E, relating to a tax credit for interest on loans in Upstate High Technology Enterprise Zones, is amended to:

- Include a sole proprietor of a qualified new technology company (QNTC) or a member of a partnership which is a QNTC.
- Include interest that is paid or incurred during the entire period of zone designation.
- Delete language that defines “allowable period.”

Part F, relating to an energy tax credit for Upstate High technology Enterprise Zones, is amended to:

- Include a sole proprietor of a qualified new technology company (QNTC) or a member of a partnership which is a QNTC.

Part G, relating to business tax rate reductions, is amended to:

- Make the rate cut for small business corporations effective one year earlier than in the original bill.

Part N, relating to a tax credit for investments in certain transportation improvements, is amended to:

- Clarify that employment increases must be associated with the “Qualified Business Facility” and applies the employment test to employment in connection with a “Qualified Business Facility.”

Part T is added to:

- Provide a sales and use tax exemption for emission testing equipment for heavy duty diesel vehicles ([see detailed memorandum in support, attached](#)).