

FY 2023 NEW YORK STATE EXECUTIVE BUDGET

**REVENUE
ARTICLE VII LEGISLATION**

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Legislative Bill Drafting Commission
12674-01-2

S. -----
Senate

IN SENATE--Introduced by Sen

--read twice and ordered printed,
and when printed to be committed
to the Committee on

----- A.
Assembly

IN ASSEMBLY--Introduced by M. of A.

with M. of A. as co-sponsors

--read once and referred to the
Committee on

BUDGBI

(Enacts into law major components of
legislation which are necessary to
implement the state fiscal plan for
the 2022-2023 state fiscal year)

BUDGBI. REV Governor

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 effec-
tiveness of such credit (Subpart B);
and to amend the tax law, in

IN SENATE

Senate introducer's signature

The senators whose names are circled below wish to join me in the sponsorship
of this proposal:

s15 Addabbo	s17 Felder	s07 Kaplan	s58 O'Mara	s10 Sanders
s52 Akshar	s59 Gallivan	s26 Kavanagh	s62 Ortt	s23 Savino
s36 Bailey	s05 Gaughran	s63 Kennedy	s01 Palumbo	s32 Sepulveda
s34 Biaggi	s12 Gianaris	s28 Krueger	s21 Parker	s41 Serino
s57 Borrello	s22 Gounardes	s24 Lanza	s19 Persaud	s29 Serrano
s04 Boyle	s47 Griffo	s11 Liu	s13 Ramos	s39 Skoufis
s44 Breslin	s40 Harckham	s50 Mannion	s61 Rath	s16 Stavisky
s25 Brisport	s54 Helming	s42 Martucci	s38 Reichlin-	s45 Stec
s08 Brooks	s46 Hinchey	s02 Mattera	Melnick	s35 Stewart-
s55 Brouk	s27 Hoylman	s53 May	s48 Ritchie	Cousins
s30 Cleare	s31 Jackson	s37 Mayer	s33 Rivera	s49 Tedisco
s14 Comrie	s43 Jordan	s20 Myrie	s60 Ryan	s06 Thomas
s56 Cooney	s09 Kaminsky	s51 Oberacker	s18 Salazar	s03 Weik

IN ASSEMBLY

Assembly introducer's signature

The Members of the Assembly whose names are circled below wish to join me in the
multi-sponsorship of this proposal:

a049 Abbate	a045 Cymbrowitz	a100 Gunther	a015 Montesano	a076 Seawright	
a092 Abinanti	a018 Darling	a139 Hawley	a145 Morinello	a084 Septimo	
a031 Anderson	a053 Davila	a083 Heastie	a065 Niou	a016 Sillitti	
a122 Angelino	a003 DeStefano	a028 Hevesi	a037 Nolan	a052 Simon	
a107 Ashby	a070 Dickens	a128 Hunter	a144 Norris	a114 Simpson	
a035 Aubry	a054 Dilan	a029 Hyndman	a069 O'Donnell	a005 Smith	
a120 Barclay	a081 Dinowitz	a079 Jackson	a091 Otis	a118 Smullen	
a030 Barnwell	a147 DiPietro	a104 Jacobson	a132 Palmesano	a022 Solages	
a106 Barrett	a009 Durso	a011 Jean-Pierre	a088 Paulin	a110 Steck	
a082 Benedetto	a048 Eichenstein	a134 Jensen	a141 Peoples-	a010 Stern	
a042 Bichotte	a004 Englebright	a115 Jones	Stokes	a127 Stirpe	
	Hermelyn	a074 Epstein	a077 Joyner	a058 Perry	a102 Tague
a117 Blankenbush	a109 Fahy	a125 Kelles	a023 Pheffer	a064 Tannousis	
a098 Brabene	a061 Fall	a040 Kim	Amato	a086 Tapia	
a026 Braunstein	a080 Fernandez	a105 Lalor	a089 Pretlow	a071 Taylor	
a138 Bronson	a008 Fitzpatrick	a013 Lavine	a073 Quart	a001 Thiele	
a012 Brown	a057 Forrest	a097 Lawler	a019 Ra	a033 Vanel	
a093 Burdick	a124 Friend	a126 Lemondes	a038 Rajkumar	a116 Walczyk	
a085 Burgos	a046 Frontus	a135 Lunsford	a006 Ramos	a055 Walker	
a142 Burke	a095 Galef	a123 Lupardo	a062 Reilly	a143 Wallace	
a119 Buttenschon	a050 Gallagher	a129 Magnarelli	a087 Reyes	a112 Walsh	
a094 Byrne	a131 Gallahan	a036 Mamdani	a043 Richardson	a041 Weinstein	
a133 Byrnes	a007 Gandolfo	a130 Manktelow	a078 Rivera, J.	a024 Weprin	
a103 Cahill	a002 Giglio, J.A.	a108 McDonald	a149 Rivera, J.D.	a059 Williams	
a044 Carroll	a148 Giglio, J.M.	a014 McDonough	a027 Rosenthal, D.	a113 Woerner	
a136 Clark	a066 Glick	a146 McMahan	a067 Rosenthal, L.	a096 Zebrowski	
a047 Colton	a034 Gonzalez-	a137 Meeks	a025 Rozic	a056 Zinerman	
a140 Conrad	Rojas	a017 Mikulin	a121 Salka	a060	
a032 Cook	a150 Goodell	a101 Miller, B.	a111 Santabarbara	a068	
a039 Cruz	a075 Gottfried	a020 Miller, M.	a090 Sayegh	a072	
a063 Cusick	a021 Griffin	a051 Mitaynes	a099 Schmitt		

1) Single House Bill (introduced and printed separately in either or
both houses). Uni-Bill (introduced simultaneously in both houses and printed
as one bill. Senate and Assembly introducer sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2
signed copies of bill and: in Assembly 2 copies of memorandum in support, in
Senate 4 copies of memorandum in support (single house); or 4 signed copies
of bill and 6 copies of memorandum in support (uni-bill).

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 (Part K); to amend chapter 604 of the laws of 2011 amending the tax law relating to the credit for companies who provide transportation to people with disabilities, in relation to the effectiveness thereof; and to amend the tax law, in relation to

the application of a credit for companies who provide transportation to individuals with disabilities (Part L); to amend the tax law, in relation to the empire state film production credit and the empire state film post production credit (Part M); to amend the labor law, in relation to extending the New York youth jobs program tax credit (Part N); to amend the labor law, in relation to extending the empire state apprenticeship tax credit program (Part O); to amend the tax law, in relation to extending the alternative fuels and electric vehicle recharging property credit (Part P); to amend the labor law, in relation to the program period for the workers with disabilities tax credit program; and to amend part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program, in relation to the effectiveness thereof (Part Q); to amend the tax law, in relation to making changes conforming to the federal taxation of S corporations; and to repeal certain provisions of such law relating thereto (Part R); to amend the tax law, in relation to the investment tax credit (Part S); to amend the tax law, in relation to exempting certain fuels used by tugboats and towboats from the petroleum business tax (Part T); to amend the tax law, in relation to the authority of counties to impose sales and compensating use taxes; and to repeal certain provisions of such law relating thereto (Part U); to amend the tax law, in relation to requiring vacation rental marketplace providers collect sales tax (Part V); to amend the tax law in relation to requiring publication of changes in withholding tables and interest rates (Part W); to amend the tax law, in relation to expanding the definition of financial institution under the financial institution data match program (Part X); to amend the real property tax law and chapter 475 of the laws of

2013, relating to assessment ceilings for local public utility mass real property, in relation to extending the assessment ceiling for local public utility mass real property to January 1, 2027 (Part Y); to amend the real property tax law, in relation to good cause refunds for the STAR program (Subpart A); to amend the real property tax law, in relation to moving up the deadline for taxpayers to switch from the STAR exemption to the STAR credit (Subpart B); to amend the tax law, in relation to clarifying the applicable income tax year for the basic STAR credit (Subpart C); to amend the tax law, in relation to allowing names of STAR credit recipients to be shared with assessors outside of New York state (Subpart D); and to amend the tax law and the real property tax law, in relation to allowing decedent reports to be given to assessors and improving the tax enforcement process as it relates to decedents (Subpart E) (Part Z); to amend the real property tax law, in relation to the grievance process with respect to the valuation of solar and wind energy systems (Part AA); to amend the tax law, in relation to establishing a homeowner tax rebate credit (Part BB); to amend the racing, pari-mutuel wagering and breeding law, in relation to gaming facility determinations and licensing (Part CC); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds; and to amend chapter 59 of the laws of 2021 amending the racing, pari-mutuel wagering and breeding law, relating to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds, in relation to the effectiveness thereof (Part DD); and to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast,

simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part EE)

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

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

12 PART A

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

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

20 [If the New York taxable income is:	The tax is:
21 Not over \$17,150	4% of the New York taxable income
22 Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
23	\$17,150
24 Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
25	\$23,600
26 Over \$27,900 but not over \$161,550	\$1,202 plus 5.73% of excess over

1		\$27,900
2	Over \$161,550 but not over \$323,200	\$8,860 plus 6.17% of excess over
3		\$161,550
4	Over \$323,200 but not over	\$18,834 plus 6.85% of
5	\$2,155,350	excess over \$323,200
6	Over \$2,155,350 but not over	\$144,336 plus 9.65% of excess over
7	\$5,000,000	\$2,155,350
8	Over \$5,000,000 but not over	\$418,845 plus 10.30% of excess over
9	\$25,000,000	\$5,000,000
10	Over \$25,000,000	\$2,478,845 plus 10.90% of excess over
11		\$25,000,000
12	(vii) For taxable years beginning in two thousand twenty-four the	
13	following rates shall apply:	
14	If the New York taxable income is:	The tax is:
15	Not over \$17,150	4% of the New York taxable income
16	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
17		\$17,150
18	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
19		\$23,600
20	Over \$27,900 but not over \$161,550	\$1,202 plus 5.61% of excess over
21		\$27,900
22	Over \$161,550 but not over \$323,200	\$8,700 plus 6.09% of excess over
23		\$161,550
24	Over \$323,200 but not over	\$18,544 plus 6.85% of excess over
25	\$2,155,350	\$323,200
26	Over \$2,155,350 but not over	\$144,047 plus 9.65% of excess over
27	\$5,000,000	\$2,155,350
28	Over \$5,000,000 but not over	\$418,555 plus 10.30% of excess over

1	\$25,000,000	\$5,000,000
2	Over \$25,000,000	\$2,478,555 plus 10.90% of excess over
3		\$25,000,000
4	(viii) For taxable years beginning after two thousand twenty-four and	
5	before two thousand twenty-eight the following rates shall apply:]	
6	If the New York taxable income is:	The tax is:
7	Not over \$17,150	4% of the New York taxable income
8	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
9		\$17,150
10	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
11		\$23,600
12	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
13		\$27,900
14	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess over
15		\$161,550
16	Over \$323,200 but not over	\$18,252 plus 6.85% of excess over
17	\$2,155,350	\$323,200
18	Over \$2,155,350 but not over	\$143,754 plus 9.65% of excess over
19	\$5,000,000	\$2,155,350
20	Over \$5,000,000 but not over	\$418,263 plus 10.30% of excess over
21	\$25,000,000	\$5,000,000
22	Over \$25,000,000	\$2,478,263 plus 10.90% of excess over
23		\$25,000,000

24 [(ix)](vii) For taxable years beginning after two thousand twenty-sev-
25 en 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
10		over \$161,550
11	Over \$323,200 but not over	\$18,252 plus 6.85% of excess
12	\$2,155,350	over \$323,200
13	Over \$2,155,350	\$143,754 plus 8.82% of excess
14		over \$2,155,350

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

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

22	[If the New York taxable income is:	The tax is:
23	Not over \$12,800	4% of the New York taxable income
24	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
25		\$12,800
26	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over

1		\$17,650
2	Over \$20,900 but not over \$107,650	\$901 plus 5.73% of excess over
3		\$20,900
4	Over \$107,650 but not over \$269,300	\$5,872 plus 6.17% of excess over
5		\$107,650
6	Over \$269,300 but not over	\$15,845 plus 6.85% of excess
7	\$1,616,450	over \$269,300
8	Over \$1,616,450 but not over	\$108,125 plus 9.65% of excess over
9	\$5,000,000	\$1,616,450
10	Over \$5,000,000 but not over	\$434,638 plus 10.30% of excess over
11	\$25,000,000	\$5,000,000
12	Over \$25,000,000	\$2,494,638 plus 10.90% of excess over
13		\$25,000,000
14	(vii) For taxable years beginning in two thousand twenty-four the	
15	following rates shall apply:	
16	If the New York taxable income is:	The tax is:
17	Not over \$12,800	4% of the New York taxable income
18	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
19		\$12,800
20	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
21		\$17,650
22	Over \$20,900 but not over \$107,650	\$901 plus 5.61% of excess over
23		\$20,900
24	Over \$107,650 but not over \$269,300	\$5,768 plus 6.09% of excess over
25		\$107,650
26	Over \$269,300 but not over	\$15,612 plus 6.85% of excess
27	\$1,616,450	over \$269,300
28	Over \$1,616,450 but not over	\$107,892 plus 9.65% of excess over

1	\$5,000,000	\$1,616,450
2	Over \$5,000,000 but not over	\$434,404 plus 10.30% of excess over
3	\$25,000,000	\$5,000,000
4	Over \$25,000,000	\$2,494,404 plus 10.90% of excess over
5		\$25,000,000
6	(viii) For taxable years beginning after two thousand twenty-four and	
7	before two thousand twenty-eight the 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 5.5% of excess over
15		\$20,900
16	Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over
17		\$107,650
18	Over \$269,300 but not over	\$15,371 plus 6.85% of excess over
19	\$1,616,450	\$269,300
20	Over \$1,616,450 but not over	\$107,651 plus 9.65% of excess over
21	\$5,000,000	\$1,616,450
22	Over \$5,000,000 but not over	\$434,163 plus 10.30% of excess over
23	\$25,000,000	\$5,000,000
24	Over \$25,000,000	\$2,494,163 plus 10.90% of excess over
25		\$25,000,000

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

1	If the New York taxable income is:	The tax is:
2	Not over \$12,800	4% of the New York taxable income
3	Over \$12,800 but not over	\$512 plus 4.5% of excess over
4	\$17,650	\$12,800
5	Over \$17,650 but not over	\$730 plus 5.25% of excess over
6	\$20,900	\$17,650
7	Over \$20,900 but not over	\$901 plus 5.5% of excess over
8	\$107,650	\$20,900
9	Over \$107,650 but not over	\$5,672 plus 6.00% of excess
10	\$269,300	over \$107,650
11	Over \$269,300 but not over	\$15,371 plus 6.85% of excess
12	\$1,616,450	over \$269,300
13	Over \$1,616,450	\$107,651 plus 8.82% of excess
14		over \$1,616,450

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

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

22	[If the New York taxable income is:	The tax is:
23	Not over \$8,500	4% of the New York taxable income
24	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
25		\$8,500
26	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over

1		\$11,700
2	Over \$13,900 but not over \$80,650	\$600 plus 5.73% of excess over
3		\$13,900
4	Over \$80,650 but not over \$215,400	\$4,424 plus 6.17% of excess over
5		\$80,650
6	Over \$215,400 but not over	\$12,738 plus 6.85% of excess
7	\$1,077,550	over \$215,400
8	Over \$1,077,550 but not over	\$71,796 plus 9.65% of excess over
9	\$5,000,000	\$1,077,550
10	Over \$5,000,000 but not over	\$450,312 plus 10.30% of excess over
11	\$25,000,000	\$5,000,000
12	Over \$25,000,000	\$2,510,312 plus 10.90% of excess over
13		\$25,000,000
14	(vii) For taxable years beginning in two thousand twenty-four the	
15	following rates shall apply:	
16	If the New York taxable income is:	The tax is:
17	Not over \$8,500	4% of the New York taxable income
18	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
19		\$8,500
20	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
21		\$11,700
22	Over \$13,900 but not over \$80,650	\$600 plus 5.61% of excess over
23		\$13,900
24	Over \$80,650 but not over \$215,400	\$4,344 plus 6.09% of excess over
25		\$80,650
26	Over \$215,400 but not over	\$12,550 plus 6.85% of excess
27	\$1,077,550	over \$215,400
28	Over \$1,077,550 but not over	\$71,608 plus 9.65% of excess over

1	\$5,000,000	\$1,077,550
2	Over \$5,000,000 but not over	\$450,124 plus 10.30% of excess over
3	\$25,000,000	\$5,000,000
4	Over \$25,000,000	\$2,510,124 plus 10.90% of excess over
5		\$25,000,000
6	(viii) For taxable years beginning after two thousand twenty-four and	
7	before two thousand twenty-eight the following rates shall apply:]	
8	If the New York taxable income is:	The tax is:
9	Not over \$8,500	4% of the New York taxable income
10	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
11		\$8,500
12	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
13		\$11,700
14	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
15		\$13,900
16	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess over
17		\$80,650
18	Over \$215,400 but not over	\$12,356 plus 6.85% of excess over
19	\$1,077,550	\$215,400
20	Over \$1,077,550 but not over	\$71,413 plus 9.65% of excess over
21	\$5,000,000	\$1,077,550
22	Over \$5,000,000 but not over	\$449,929 plus 10.30% of excess over
23	\$25,000,000	\$5,000,000
24	Over \$25,000,000	\$2,509,929 plus 10.90% of excess over
25		\$25,000,000

26 [(ix)](vii) For taxable years beginning after two thousand twenty-sev-
 27 en 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
10		over \$80,650
11	Over \$215,400 but not over	\$12,356 plus 6.85% of excess
12	\$1,077,550	over \$215,400
13	Over \$1,077,550	\$71,413 plus 8.82% of excess
14		over \$1,077,550

15 § 4. This act shall take effect immediately.

16 PART B

17 Section 1. This act enacts into law components of legislation relating
18 to certain tax credits. Each component is wholly contained within a
19 Subpart identified as Subparts A through C. The effective date for each
20 particular provision contained within such Subpart is set forth in the
21 last section of such Subpart. Any provision in any section contained
22 within a Subpart, including the effective date of the Subpart, which
23 makes reference to a section "of this act", when used in connection with
24 that particular component, shall be deemed to mean and refer to the

1 corresponding section of the Subpart in which it is found. Section three
2 of this act sets forth the general effective date of this act.

3 SUBPART A

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

6 (a-1) For a taxpayer that is an eligible farmer, as defined in subdi-
7 vision eleven of this section, the percentage to be used to compute the
8 credit allowed under this subdivision shall be twenty percent for prop-
9 erty described in subparagraph (i) of paragraph (b) of this subdivision
10 that is principally used by the taxpayer in the production of goods by
11 farming, agriculture, horticulture, floriculture or viticulture.

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

14 (1-a) For a taxpayer that is an eligible farmer, as defined in
15 subsection (n) of this section, the percentage to be used to compute the
16 credit allowed under this subsection shall be twenty percent for proper-
17 ty described in subparagraph (A) of paragraph two of this subsection
18 that is principally used by the taxpayer in the production of goods by
19 farming, agriculture, horticulture, floriculture or viticulture.

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

22 SUBPART B

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

4 (e) For taxable years beginning on or after January first, two thou-
5 sand seventeen and before January first, two thousand eighteen, the
6 amount of the credit allowed under this section shall be equal to the
7 product of the total number of eligible farm employees and two hundred
8 fifty dollars. For taxable years beginning on or after January first,
9 two thousand eighteen and before January first, two thousand nineteen,
10 the amount of the credit allowed under this section shall be equal to
11 the product of the total number of eligible farm employees and three
12 hundred dollars. For taxable years beginning on or after January first,
13 two thousand nineteen and before January first, two thousand twenty, the
14 amount of the credit allowed under this section shall be equal to the
15 product of the total number of eligible farm employees and five hundred
16 dollars. For taxable years beginning on or after January first, two
17 thousand twenty and before January first, two thousand twenty-one, the
18 amount of the credit allowed under this section shall be equal to the
19 product of the total number of eligible farm employees and four hundred
20 dollars. For taxable years beginning on or after January first, two
21 thousand twenty-one and before January first, two thousand [twenty-five]
22 twenty-six, the amount of the credit allowed under this section shall be
23 equal to the product of the total number of eligible farm employees and
24 [six] twelve hundred dollars.

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

1 § 5. This act shall take effect immediately and shall apply only to
2 taxable years beginning on or after January 1, 2017 and before January
3 1, [2025] 2026.

4 § 3. This act shall take effect immediately.

5 SUBPART C

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

9 (f) A taxpayer claiming the credit allowed under this section shall
10 not be allowed to claim any other tax credit allowed under this chapter,
11 except the credit allowed under section forty-two-a of this article,
12 with respect to any eligible farm employee included in the total number
13 of eligible farm employees used to determine the amount of the credit
14 allowed under this section.

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

17 § 42-a. Farm employer overtime credit. (a) Notwithstanding subdivision
18 (f) of section forty-two of this article, a taxpayer that is a farm
19 employer or an owner of a farm employer shall be eligible for a credit
20 against the tax imposed under article nine-A or twenty-two of this chap-
21 ter, pursuant to the provisions referenced in subdivision (h) of this
22 section.

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

1 (c) For purposes of this section, the term "eligible farmer" means a
2 taxpayer whose federal gross income from farming as defined in
3 subsection (n) of section six hundred six of this chapter for the taxa-
4 ble year is at least two-thirds of excess federal gross income. Excess
5 federal gross income means the amount of federal gross income from all
6 sources for the taxable year in excess of thirty thousand dollars. For
7 purposes of this section, payments from the state's farmland protection
8 program, administered by the department of agriculture and markets,
9 shall be included as federal gross income from farming for otherwise
10 eligible farmers.

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

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

21 (f) Special rules. If more than fifty percent of such eligible farm-
22 er's federal gross income from farming is from the sale of wine from a
23 licensed farm winery as provided for in article six of the alcoholic
24 beverage control law, or from the sale of cider from a licensed farm
25 cidery as provided for in section fifty-eight-c of the alcoholic bever-
26 age control law, then an eligible farm employee of such eligible farmer
27 shall be included for purposes of calculating the amount of credit
28 allowed under this section only if such eligible farm employee is

1 employed by such eligible farmer on qualified agricultural property as
2 defined in paragraph four of subsection (n) of section six hundred six
3 of this chapter.

4 (g) The amount of the credit allowed under this section shall be equal
5 to the aggregate amount of such credit allowed per eligible farm employ-
6 ee, as follows. The amount of the credit allowed per eligible farm
7 employee shall be equal to the product of (i) the eligible overtime
8 worked during the taxable year by the eligible farm employee and (ii)
9 the overtime rate paid by the farm employer to the eligible farm employ-
10 ee less such employee's regular rate of pay.

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

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

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

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

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

20 (b) Application of credit. The credit allowed under this subdivision
21 for any taxable year shall not reduce the tax due for such year to less
22 than the amount prescribed in paragraph (d) of subdivision one of
23 section two hundred ten of this article. However, if the amount of cred-
24 it allowed under this subdivision for any taxable year reduces the tax
25 to such amount or if the taxpayer otherwise pays tax based on the fixed
26 dollar minimum amount, any amount of credit thus not deductible in such
27 taxable year shall be treated as an overpayment of tax to be credited or
28 refunded in accordance with the provisions of section one thousand

1 eighty-six of this chapter. Provided, however, the provisions of
2 subsection (c) of section one thousand eighty-eight of this chapter
3 notwithstanding, no interest shall be paid thereon.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (35) (A) In the case of a taxpayer who is a small business or a
24 taxpayer who is a member, partner, or shareholder of a limited liability
25 company, partnership, or New York S corporation, respectively, that is a
26 small business, who or which has business income and/or farm income as
27 defined in the laws of the United States, an amount equal to [three]
28 fifteen percent of the net items of income, gain, loss and deduction

1 attributable to such business or farm entering into federal adjusted
2 gross income, but not less than zero[, for taxable years beginning after
3 two thousand thirteen, an amount equal to three and three-quarters
4 percent of the net items of income, gain, loss and deduction attribut-
5 able to such business or farm entering into federal adjusted gross
6 income, but not less than zero, for taxable years beginning after two
7 thousand fourteen, and an amount equal to five percent of the net items
8 of income, gain, loss and deduction attributable to such business or
9 farm entering into federal adjusted gross income, but not less than
10 zero, for taxable years beginning after two thousand fifteen].

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

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

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

25 (ii) For purposes of this paragraph, the term New York gross business
26 income shall mean: (I) in the case of a limited liability company or a
27 partnership, New York source gross income as defined in subparagraph (b)
28 or paragraph three of subsection (c) of section six hundred fifty-eight

1 of the tax law, and, (II) in the case of a New York S corporation, New
2 York receipts included in the numerator of the apportionment factor
3 determined under section two hundred ten-A of the tax law for the taxa-
4 ble year.

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

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

13 PART D

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

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

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

21 PART E

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

1 ARTICLE 26

2 COVID-19 CAPITAL COSTS TAX CREDIT PROGRAM

3 Section 480. Short title.

4 481. Statement of legislative findings and declaration.

5 482. Definitions.

6 483. Eligibility criteria.

7 484. Application and approval process.

8 485. COVID-19 capital costs tax credit.

9 486. Powers and duties of the commissioner.

10 487. Maintenance of records.

11 488. Cap on tax credit.

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

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

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

24 1. "Certificate of tax credit" means the document issued to a business
25 entity by the department after the department has verified that the
26 business entity has met all applicable eligibility criteria in this
27 article. The certificate shall specify the exact amount of the tax cred-

1 it under this article that a business entity may claim, pursuant to
2 section four hundred eighty-five of this article.

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

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

6 4. "Qualified COVID-19 capital costs" shall mean costs incurred from
7 January first, two thousand twenty-one through December thirty-first,
8 two thousand twenty-two at a business location in New York state to
9 comply with public health or other emergency orders or regulations
10 related to the COVID-19 pandemic, or to generally increase safety
11 through infectious disease mitigation, including costs for: (i) supplies
12 to disinfect and/or protect against COVID-19 transmission; (ii) restock-
13 ing of perishable goods to replace those lost during the COVID-19
14 pandemic; (iii) physical barriers and sneeze guards; (iv) hand sanitizer
15 stations; (v) respiratory devices such as air purifier systems installed
16 at the business entity's location; (vi) signage related to the COVID-19
17 pandemic including, but not limited to, signage detailing vaccine and
18 masking requirements, and social distancing; (vii) materials required to
19 define and/or protect space such as barriers; (viii) materials needed to
20 block off certain seats to allow for social distancing; (ix) certain
21 point of sale payment equipment to allow for contactless payment; (x)
22 equipment and/or materials and supplies for new product lines in
23 response to the COVID-19 pandemic; (xi) software for online payment
24 platforms to enable delivery or contactless purchases; (xii) building
25 construction and retrofits to accommodate social distancing and instal-
26 lation of air purifying equipment but not for costs for non-COVID-19
27 pandemic related capital renovations or general "closed for renovations"
28 upgrades; (xiii) machinery and equipment to accommodate contactless

1 sales; (xiv) materials to accommodate increased outdoor activity such as
2 heat lamps, outdoor lighting, and materials related to outdoor space
3 expansions; and (xv) other costs as determined by the department to be
4 eligible under this section; provided, however, that "qualified COVID-19
5 capital costs" do not include any cost paid for with other COVID-19
6 grant funds as determined by the commissioner.

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

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

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

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

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

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

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

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

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

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

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

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

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

20 4. The business entity must submit its application within forty-five
21 days after the earlier of: (a) the last day it incurred qualified
22 COVID-19 capital costs, or (b) December thirty-first, two thousand twen-
23 ty-two. The date specified in paragraph (a) or (b) of this subdivision
24 is the business entity's application deadline.

25 § 485. COVID-19 capital costs tax credit. 1. A business entity in the
26 COVID-19 capital costs tax credit program that meets the eligibility
27 requirements of section four hundred eighty-three of this article may be
28 eligible to claim a credit equal to fifty percent of its qualified

1 COVID-19 capital costs as defined in subdivision four of section four
2 hundred eighty-two of this article.

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

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

9 4. A business entity may claim the tax credit in the taxable year that
10 includes the business entity's application deadline as defined by subdi-
11 vision four of section four hundred eighty-four of this chapter. Howev-
12 er, if such application deadline occurred on or before December thirty-
13 first, two thousand twenty-one, the business entity may claim the credit
14 on its tax return for the taxable year that includes December thirty-
15 first, two thousand twenty-two.

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

23 2. The commissioner shall, in consultation with the department of
24 taxation and finance, develop a certificate of tax credit that shall be
25 issued by the commissioner to eligible businesses. Such certificate
26 shall contain such information as required by the department of taxation
27 and finance.

1 3. The commissioner shall solely determine the eligibility of any
2 applicant applying for entry into the program and shall remove any busi-
3 ness entity from the program for failing to meet any of the requirements
4 set forth in section four hundred eighty-three of this article, or for
5 failing to meet the requirements set forth in subdivision one of section
6 four hundred eighty-four of this article.

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

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

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

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

24 (b) Eligibility. To be eligible for the COVID-19 capital costs tax
25 credit, the taxpayer shall have been issued a certificate of tax credit
26 by the department of economic development pursuant to subdivision three
27 of section four hundred eighty-four of the economic development law,
28 which certificate shall set forth the amount of the credit that may be

1 claimed for the taxable year. The taxpayer shall be allowed to claim
2 only the amount listed on the certificate of tax credit for that taxable
3 year. A taxpayer that is a partner in a partnership, member of a limited
4 liability company or shareholder in a subchapter S corporation that has
5 received a certificate of tax credit shall be allowed its pro rata share
6 of the credit earned by the partnership, limited liability company or
7 subchapter S corporation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 § 6. This act shall take effect immediately.

20 PART F

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

24 (2) The amount of the credit shall be the product (or pro rata share
25 of the product, in the case of a member of a partnership) of twenty-five
26 percent and the sum of the qualified production expenditures paid for

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

22 § 2. Subparagraph (i) of paragraph 5 of subdivision (b) of section
23 24-c of the tax law, as added by section 1 of subpart B of part PP of
24 chapter 59 of the laws of 2021, is amended to read as follows:

25 (i) "The credit period of a qualified New York city musical and theat-
26 rical production company" is the period starting on the production start
27 date and ending on the earlier of the date the qualified musical and
28 theatrical production has expended sufficient qualified production

1 expenditures to reach its credit cap, [March thirty-first] September
2 thirtieth, two thousand twenty-three or the date the qualified musical
3 and theatrical production closes.

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

7 (1) The aggregate amount of tax credits allowed under this section,
8 subdivision fifty-seven of section two hundred ten-B and subsection
9 (mmm) of section six hundred six of this chapter shall be [one] two
10 hundred million dollars. Such aggregate amount of credits shall be allo-
11 cated by the department of economic development among taxpayers based on
12 the date of first performance of the qualified musical and theatrical
13 production.

14 § 4. Paragraph 2 of subdivision (f) of section 24-c of the tax law, as
15 added by section 1 of subpart B of part PP of chapter 59 of the laws of
16 2021, is amended to read as follows:

17 (2) The commissioner of economic development, after consulting with
18 the commissioner, shall promulgate regulations to establish procedures
19 for the allocation of tax credits as required by this section. Such
20 rules and regulations shall include provisions describing the applica-
21 tion process, the due dates for such applications, the standards that
22 will be used to evaluate the applications, the documentation that will
23 be provided by applicants to substantiate to the department the amount
24 of qualified production expenditures of such applicants, and such other
25 provisions as deemed necessary and appropriate. Notwithstanding any
26 other provisions to the contrary in the state administrative procedure
27 act, such rules and regulations may be adopted on an emergency basis. In
28 no event shall a qualified New York city musical and theatrical

1 production submit an application for this program after [December thir-
2 ty-first, two thousand twenty-two] June thirtieth, two thousand twenty-
3 three.

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

7 (g) Any qualified New York city musical and theatrical production
8 company that performs in a qualified New York city production facility
9 and applies to receive a credit under this section shall be required to:
10 (1) participate in a New York state diversity and arts job training
11 program; (2) create and implement a plan to ensure that their production
12 is available and accessible for low-or no-cost to low income New York-
13 ers; and (3) contribute to the New York state council on the arts,
14 cultural program fund an amount up to fifty percent of the total credits
15 received if its production earns ongoing revenue prospectively after the
16 end of the credit period that is at least equal to two hundred percent
17 of its ongoing production costs, with such amount payable from twenty-
18 five percent of net operating profits, such amounts payable on a monthly
19 basis, up until such fifty percent of the total credit amount is
20 reached. Any funds deposited pursuant to this subdivision may be used
21 for arts and cultural [educational and workforce development] grant
22 programs of the New York state council on the arts.

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

26 5. The moneys in such fund shall be expended for the purpose of
27 supplementing art and cultural grant programs [for secondary and elemen-
28 tary children, including programs that increase access to art and

1 cultural programs and events for children in underserved communities] of
2 the New York state council on the arts.

3 § 7. Section 6 of subpart B of part PP of chapter 59 of the laws of
4 2021 amending the tax law and the state finance law relating to estab-
5 lishing the New York city musical and theatrical production tax credit
6 and establishing the New York state council on the arts cultural program
7 fund, is amended to read as follows:

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

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

19 PART G

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

24 (a) For the privilege of exercising its corporate franchise, or of
25 doing business, or of employing capital, or of owning or leasing proper-
26 ty in a corporate or organized capacity, or of maintaining an office, or

1 of deriving receipts from activity in the metropolitan commuter trans-
2 portation district, for all or any part of its taxable year, there is
3 hereby imposed on every corporation, other than a New York S corpo-
4 ration, subject to tax under section two hundred nine of this article,
5 or any receiver, referee, trustee, assignee or other fiduciary, or any
6 officer or agent appointed by any court, who conducts the business of
7 any such corporation, a tax surcharge, in addition to the tax imposed
8 under section two hundred nine of this article, to be computed at the
9 rate of seventeen percent of the tax imposed under such section for such
10 taxable years or any part of such taxable years ending on or after
11 December thirty-first, nineteen hundred eighty-three and before January
12 first, two thousand fifteen after the deduction of any credits otherwise
13 allowable under this article, at the rate of twenty-five and six-tenths
14 percent of the tax imposed under such section for taxable years begin-
15 ning on or after January first, two thousand fifteen and before January
16 first, two thousand sixteen before the deduction of any credits other-
17 wise allowable under this article, [and] at the rate determined by the
18 commissioner pursuant to paragraph (f) of this subdivision of the tax
19 imposed under such section, for taxable years beginning on or after
20 January first, two thousand sixteen and before January first, two thou-
21 sand twenty-three before the deduction of any credits otherwise allow-
22 able under this article, and at the rate of thirty percent of the tax
23 imposed under such section for taxable years beginning on or after Janu-
24 ary first, two thousand twenty-three before the deduction of any credits
25 otherwise allowable under this article. However, such rate of tax
26 surcharge shall be applied only to that portion of the tax imposed under
27 section two hundred nine of this article before the deduction of any
28 credits otherwise allowable under this article which is attributable to

1 the taxpayer's business activity carried on within the metropolitan
2 commuter transportation district; and provided, further, the surcharge
3 computed on a combined report shall include a surcharge on the fixed
4 dollar minimum tax for each member of the combined group subject to the
5 surcharge under this subdivision.

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

20 § 2. This act shall take effect immediately.

21 PART H

22 Section 1. Paragraphs (a), (b) and (d) of subdivision 29 of section
23 210-B of the tax law, paragraph (a) and subparagraph 2 of paragraph (b)
24 as amended by section 1 of part II of chapter 59 of the laws of 2021,
25 paragraph (b) as amended by section 1 of part Q of chapter 59 of the
26 laws of 2018, subparagraph 1 of paragraph (b) as amended by chapter 490

1 of the laws of 2019 and paragraph (d) as added by section 17 of part A
2 of chapter 59 of the laws of 2014, are amended to read as follows:

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

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

18 (1) who served on active duty in the United States army, navy, air
19 force, space force, marine corps, coast guard or the reserves thereof,
20 or who served in active military service of the United States as a
21 member of the army national guard, air national guard, New York guard or
22 New York naval militia; who (i) was released from active duty by general
23 or honorable discharge [after September eleventh, two thousand one], or
24 (ii) has a qualifying condition, as defined in section three hundred
25 fifty of the executive law, and has received a discharge other than bad
26 conduct or dishonorable from such service [after September eleventh, two
27 thousand one], or (iii) is a discharged LGBT veteran, as defined in
28 section three hundred fifty of the executive law, and has received a

1 discharge other than bad conduct or dishonorable from such service
2 [after September eleventh, two thousand one];

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

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

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

26 § 2. Paragraphs 1, 2 and 4 of subsection (a-2) of section 606 of the
27 tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by
28 section 2 of part II of chapter 59 of the laws of 2021, paragraph 2 as

1 amended by section 2 of part Q of chapter 59 of the laws of 2018,
2 subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of
3 2019 and paragraph 4 as added by section 3 of part AA of chapter 59 of
4 the laws of 2013, are amended to read as follows:

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

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

20 (A) who served on active duty in the United States army, navy, air
21 force, space force, marine corps, coast guard or the reserves thereof,
22 or who served in active military service of the United States as a
23 member of the army national guard, air national guard, New York guard or
24 New York naval militia; who (i) was released from active duty by general
25 or honorable discharge [after September eleventh, two thousand one], or
26 (ii) has a qualifying condition, as defined in section three hundred
27 fifty of the executive law, and has received a discharge other than bad
28 conduct or dishonorable from such service [after September eleventh, two

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

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

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

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

1 § 3. Paragraphs 1, 2 and 4 of subdivision (g-1) of section 1511 of the
2 tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by
3 section 3 of part II of chapter 59 of the laws of 2021, paragraph 2 as
4 amended by section 3 of part Q of chapter 59 of the laws of 2018,
5 subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of
6 2019 and paragraph 4 as added by section 5 of part AA of chapter 59 of
7 the laws of 2013, are amended to read as follows:

8 (1) 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 employment
18 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 (2) Qualified veteran. A qualified veteran is an individual:

23 (A) 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; who (i) was released from active duty by general
28 or honorable discharge [after September eleventh, two thousand one], or

1 (ii) has a qualifying condition, as defined in section three hundred
2 fifty of the executive law, and has received a discharge other than bad
3 conduct or dishonorable from such service [after September eleventh, two
4 thousand one], or (iii) is a discharged LGBT veteran, as defined in
5 section three hundred fifty of the executive law, and has received a
6 discharge other than bad conduct or dishonorable from such service
7 [after September eleventh, two thousand 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 percent of the total amount of wages paid to the qualified
22 veteran during the veteran's first full year of employment. The] the
23 credit allowed pursuant to this subdivision shall not exceed in any
24 taxable year, [five] fifteen thousand dollars for any qualified veteran
25 employed in a full-time position for one thousand eight hundred twenty
26 or more hours in one twelve-month period and [fifteen thousand dollars
27 for any qualified veteran who is a disabled veteran] seven thousand five
28 hundred dollars for any qualified veteran employed in a part-time posi-

1 tion for at least one thousand forty hours but not more than one thou-
2 sand eight hundred nineteen hours in one twelve-month period.

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

5 PART I

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

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

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

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

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

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

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

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

15 (iv) be in compliance with all environmental conservation laws and
16 regulations; and

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

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

22 (1) Conversion costs means the equipment and labor costs associated
23 with the design, installation and use of space heating and other energy
24 conversion systems that are designed to or accommodate the use of biod-
25 iesel fuel or a geothermal system and, at the option of the taxpayer,
26 the costs of completing an ASRAE level 2 energy audit including assess-
27 ment of electrification options.

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

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

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

14 (e) Information sharing. The department, the department of environ-
15 mental conservation and the New York state energy research and develop-
16 ment authority shall be allowed and are directed to share and exchange
17 information regarding the information contained on the credit applica-
18 tion for claiming the grade no. 6 heating oil conversion tax credit and
19 such information exchanged between the department, the department of
20 environmental conservation and the New York state energy research and
21 development authority shall not be subject to disclosure or inspection
22 under the state's freedom of information law.

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

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

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

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

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

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

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

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

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

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

1 allocation of the aggregate dollar amount of credit by the commissioner,
2 and does not apply to allowance to a taxpayer of the credit with respect
3 to an eligible low-income building for each year of the credit period.

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

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

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

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

24 § 5. This act shall take effect immediately; provided, however,
25 section one of this act shall take effect April 1, 2022; section two of
26 this act shall take effect April 1, 2023; section three of this act
27 shall take effect April 1, 2024; and section four of this act shall take
28 effect April 1, 2025.

1

PART K

2 Section 1. Paragraph (a) of subdivision 25 of section 210-B of the tax
3 law, as amended by section 1 of part R of chapter 59 of the laws of
4 2019, is amended to read as follows:

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

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

18 (1) A taxpayer shall be allowed a credit against the tax imposed by
19 this article. Such credit, to be computed as hereinafter provided, shall
20 be allowed for bioheating fuel, used for space heating or hot water
21 production for residential purposes within this state and purchased on
22 or after July first, two thousand six and before July first, two thou-
23 sand seven and on or after January first, two thousand eight and before
24 January first, two thousand [twenty-three] twenty-six. Such credit shall
25 be \$0.01 per percent of biodiesel per gallon of bioheating fuel, not to
26 exceed twenty cents per gallon, purchased by such taxpayer. Provided,
27 however, that on or after January first, two thousand seventeen, this

1 credit shall not apply to bioheating fuel that is less than six percent
2 biodiesel per gallon of bioheating fuel.

3 § 3. This act shall take effect immediately.

4 PART L

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

9 § 5. This act shall take effect immediately and shall remain in effect
10 until December 31, 2016 when upon such date it shall be deemed repealed;
11 provided that this act shall be deemed to have been in full force and
12 effect on December 31, 2010; provided further that this act shall apply
13 to all tax years commencing on or after January 1, 2011; and provided
14 further that sections one and two of this act shall remain in effect
15 until December 31, [2022] 2028 when upon such date such sections shall
16 be deemed repealed.

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

20 (c) Application of credit. In no event shall the credit allowed under
21 this subdivision for any taxable year reduce the tax due for such year
22 to less than the amount prescribed in paragraph (d) of subdivision one
23 of section two hundred ten of this article. However, if the amount of
24 credit allowed under this subdivision for any taxable year reduces the
25 tax to such amount or if the taxpayer otherwise pays tax based on the
26 fixed dollar minimum amount, any amount of credit thus not deductible in

1 such taxable year shall be carried over to the following year or years,
2 and may be deducted from the taxpayer's tax for such year or years. The
3 tax credit allowed pursuant to this subdivision shall not apply to taxa-
4 ble years beginning on or after January first, two thousand [twenty-
5 three] twenty-nine.

6 § 3. This act shall take effect immediately.

7 PART M

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

11 (4) (i) Notwithstanding the foregoing provisions of this subdivision,
12 a qualified film production company or qualified independent film
13 production company, that has applied for credit under the provisions of
14 this section, agrees as a condition for the granting of the credit:
15 ~~[(i)]~~ (A) to include in each qualified film distributed by DVD, or other
16 media for the secondary market, a New York promotional video approved by
17 the governor's office of motion picture and television development or to
18 include in the end credits of each qualified film "Filmed With the
19 Support of the New York State Governor's Office of Motion Picture and
20 Television Development" and a logo provided by the governor's office of
21 motion picture and television development, and ~~[(ii)]~~ (B) to certify
22 that it will purchase taxable tangible property and services, defined as
23 qualified production costs pursuant to paragraph one of subdivision (b)
24 of this section, only from companies registered to collect and remit
25 state and local sales and use taxes pursuant to articles twenty-eight
26 and twenty-nine of this chapter.

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

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

25 (5) For the period two thousand fifteen through two thousand [twenty-
26 six] twenty-nine, in addition to the amount of credit established in
27 paragraph two of this subdivision, a taxpayer shall be allowed a credit
28 equal to the product (or pro rata share of the product, in the case of a

1 member of a partnership) of ten percent and the amount of wages or sala-
2 ries paid to individuals directly employed (excluding those employed as
3 writers, directors, music directors, producers and performers, including
4 background actors with no scripted lines) by a qualified film production
5 company or a qualified independent film production company for services
6 performed by those individuals in one of the counties specified in this
7 paragraph in connection with a qualified film with a minimum budget of
8 five hundred thousand dollars. For purposes of this additional credit,
9 the services must be performed in one or more of the following counties:
10 Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung,
11 Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex,
12 Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis,
13 Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga,
14 Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga,
15 Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sulli-
16 van, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or
17 Yates. The aggregate amount of tax credits allowed pursuant to the
18 authority of this paragraph shall be five million dollars each year
19 during the period two thousand fifteen through two thousand [twenty-six]
20 twenty-nine of the annual allocation made available to the program
21 pursuant to paragraph four of subdivision (e) of this section. Such
22 aggregate amount of credits shall be allocated by the governor's office
23 for motion picture and television development among taxpayers in order
24 of priority based upon the date of filing an application for allocation
25 of film production credit with such office. If the total amount of allo-
26 cated credits applied for under this paragraph in any year exceeds the
27 aggregate amount of tax credits allowed for such year under this para-
28 graph, such excess shall be treated as having been applied for on the

1 first day of the next year. If the total amount of allocated tax credits
2 applied for under this paragraph at the conclusion of any year is less
3 than five million dollars, the remainder shall be treated as part of the
4 annual allocation made available to the program pursuant to paragraph
5 four of subdivision (e) of this section. However, in no event may the
6 total of the credits allocated under this paragraph and the credits
7 allocated under paragraph five of subdivision (a) of section thirty-one
8 of this article exceed five million dollars in any year during the peri-
9 od two thousand fifteen through two thousand [twenty-six] twenty-nine.

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

13 (4) Additional pool 2 - The aggregate amount of tax credits allowed in
14 subdivision (a) of this section shall be increased by an additional four
15 hundred twenty million dollars in each year starting in two thousand ten
16 through two thousand [twenty-six] twenty-nine provided however, seven
17 million dollars of the annual allocation shall be available for the
18 empire state film post production credit pursuant to section thirty-one
19 of this article in two thousand thirteen and two thousand fourteen,
20 twenty-five million dollars of the annual allocation shall be available
21 for the empire state film post production credit pursuant to section
22 thirty-one of this article in each year starting in two thousand fifteen
23 through two thousand [twenty-six] twenty-nine and five million dollars
24 of the annual allocation shall be made available for the television
25 writers' and directors' fees and salaries credit pursuant to section
26 twenty-four-b of this article in each year starting in two thousand
27 twenty through two thousand [twenty-six] twenty-nine. This amount shall
28 be allocated by the governor's office for motion picture and television

1 development among taxpayers in accordance with subdivision (a) of this
2 section. If the commissioner of economic development determines that the
3 aggregate amount of tax credits available from additional pool 2 for the
4 empire state film production tax credit have been previously allocated,
5 and determines that the pending applications from eligible applicants
6 for the empire state film post production tax credit pursuant to section
7 thirty-one of this article is insufficient to utilize the balance of
8 unallocated empire state film post production tax credits from such
9 pool, the remainder, after such pending applications are considered,
10 shall be made available for allocation in the empire state film tax
11 credit pursuant to this section, subdivision twenty of section two
12 hundred ten-B and subsection (gg) of section six hundred six of this
13 chapter. Also, if the commissioner of economic development determines
14 that the aggregate amount of tax credits available from additional pool
15 2 for the empire state film post production tax credit have been previ-
16 ously allocated, and determines that the pending applications from
17 eligible applicants for the empire state film production tax credit
18 pursuant to this section is insufficient to utilize the balance of unal-
19 located film production tax credits from such pool, then all or part of
20 the remainder, after such pending applications are considered, shall be
21 made available for allocation for the empire state film post production
22 credit pursuant to this section, subdivision thirty-two of section two
23 hundred ten-B and subsection (qq) of section six hundred six of this
24 chapter. The governor's office for motion picture and television devel-
25 opment must notify taxpayers of their allocation year and include the
26 allocation year on the certificate of tax credit. Taxpayers eligible to
27 claim a credit must report the allocation year directly on their empire
28 state film production credit tax form for each year a credit is claimed

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

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

11 (4) Additional pool 2 - The aggregate amount of tax credits allowed in
12 subdivision (a) of this section shall be increased by an additional four
13 hundred twenty million dollars in each year starting in two thousand ten
14 through two thousand [twenty-six] twenty-nine provided however, seven
15 million dollars of the annual allocation shall be available for the
16 empire state film post production credit pursuant to section thirty-one
17 of this article in two thousand thirteen and two thousand fourteen and
18 twenty-five million dollars of the annual allocation shall be available
19 for the empire state film post production credit pursuant to section
20 thirty-one of this article in each year starting in two thousand fifteen
21 through two thousand [twenty-six] twenty-nine. This amount shall be
22 allocated by the governor's office for motion picture and television
23 development among taxpayers in accordance with subdivision (a) of this
24 section. If the commissioner of economic development determines that the
25 aggregate amount of tax credits available from additional pool 2 for the
26 empire state film production tax credit have been previously allocated,
27 and determines that the pending applications from eligible applicants
28 for the empire state film post production tax credit pursuant to section

1 thirty-one of this article is insufficient to utilize the balance of
2 unallocated empire state film post production tax credits from such
3 pool, the remainder, after such pending applications are considered,
4 shall be made available for allocation in the empire state film tax
5 credit pursuant to this section, subdivision twenty of section two
6 hundred ten-B and subsection (gg) of section six hundred six of this
7 chapter. Also, if the commissioner of economic development determines
8 that the aggregate amount of tax credits available from additional pool
9 2 for the empire state film post production tax credit have been previ-
10 ously allocated, and determines that the pending applications from
11 eligible applicants for the empire state film production tax credit
12 pursuant to this section is insufficient to utilize the balance of unal-
13 located film production tax credits from such pool, then all or part of
14 the remainder, after such pending applications are considered, shall be
15 made available for allocation for the empire state film post production
16 credit pursuant to this section, subdivision thirty-two of section two
17 hundred ten-B and subsection (qq) of section six hundred six of this
18 chapter. The governor's office for motion picture and television devel-
19 opment must notify taxpayers of their allocation year and include the
20 allocation year on the certificate of tax credit. Taxpayers eligible to
21 claim a credit must report the allocation year directly on their empire
22 state film production credit tax form for each year a credit is claimed
23 and include a copy of the certificate with their tax return. In the case
24 of a qualified film that receives funds from additional pool 2, no
25 empire state film production credit shall be claimed before the later of
26 the taxable year the production of the qualified film is complete, or
27 the taxable year immediately following the allocation year for which the

1 film has been allocated credit by the governor's office for motion
2 picture and television development.

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

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

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

19 (6) For the period two thousand fifteen through two thousand [twenty-
20 six] twenty-nine, in addition to the amount of credit established in
21 paragraph two of this subdivision, a taxpayer shall be allowed a credit
22 equal to the product (or pro rata share of the product, in the case of a
23 member of a partnership) of ten percent and the amount of wages or sala-
24 ries paid to individuals directly employed (excluding those employed as
25 writers, directors, music directors, producers and performers, including
26 background actors with no scripted lines) for services performed by
27 those individuals in one of the counties specified in this paragraph in
28 connection with the post production work on a qualified film with a

1 minimum budget of five hundred thousand dollars at a qualified post
2 production facility in one of the counties listed in this paragraph. For
3 purposes of this additional credit, the services must be performed in
4 one or more of the following counties: Albany, Allegany, Broome, Catta-
5 raugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cort-
6 land, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee,
7 Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison,
8 Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans,
9 Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie,
10 Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins,
11 Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate
12 amount of tax credits allowed pursuant to the authority of this para-
13 graph shall be five million dollars each year during the period two
14 thousand fifteen through two thousand [twenty-six] twenty-nine of the
15 annual allocation made available to the empire state film post
16 production credit pursuant to paragraph four of subdivision (e) of
17 section twenty-four of this article. Such aggregate amount of credits
18 shall be allocated by the governor's office for motion picture and tele-
19 vision development among taxpayers in order of priority based upon the
20 date of filing an application for allocation of post production credit
21 with such office. If the total amount of allocated credits applied for
22 under this paragraph in any year exceeds the aggregate amount of tax
23 credits allowed for such year under this paragraph, such excess shall be
24 treated as having been applied for on the first day of the next year. If
25 the total amount of allocated tax credits applied for under this para-
26 graph at the conclusion of any year is less than five million dollars,
27 the remainder shall be treated as part of the annual allocation for two
28 thousand seventeen made available to the empire state film post

1 production credit pursuant to paragraph four of subdivision (e) of
2 section twenty-four of this article. However, in no event may the total
3 of the credits allocated under this paragraph and the credits allocated
4 under paragraph five of subdivision (a) of section twenty-four of this
5 article exceed five million dollars in any year during the period two
6 thousand fifteen through two thousand [twenty-six] twenty-nine.

7 § 7. This act shall take effect immediately; provided, however that
8 the amendments to paragraph 4 of subdivision (e) of section 24 of the
9 tax law made by section three of this act shall take effect on the same
10 date and in the same manner as section 5 of chapter 683 of the laws of
11 2019, as amended, takes effect.

12 PART N

13 Section 1. Subdivision (a) of section 25-a of the labor law, as
14 amended by section 1 of subpart A of part N of chapter 59 of the laws of
15 2017, is amended to read as follows:

16 (a) The commissioner is authorized to establish and administer the
17 program established under this section to provide tax incentives to
18 employers for employing at risk youth in part-time and full-time posi-
19 tions. There will be ten distinct pools of tax incentives. Program one
20 will cover tax incentives allocated for two thousand twelve and two
21 thousand thirteen. Program two will cover tax incentives allocated in
22 two thousand fourteen. Program three will cover tax incentives allocated
23 in two thousand fifteen. Program four will cover tax incentives allo-
24 cated in two thousand sixteen. Program five will cover tax incentives
25 allocated in two thousand seventeen. Program six will cover tax incen-
26 tives allocated in two thousand eighteen. Program seven will cover tax

1 incentives allocated in two thousand nineteen. Program eight will cover
2 tax incentives allocated in two thousand twenty. Program nine will cover
3 tax incentives allocated in two thousand twenty-one. Program ten will
4 cover tax incentives allocated in two thousand twenty-two. Program elev-
5 en will cover tax incentives allocated in two thousand twenty-three.
6 Program twelve will cover tax incentives allocated in two thousand twen-
7 ty-four. Program thirteen will cover tax incentives allocated in two
8 thousand twenty-five. Program fourteen will cover tax incentives allo-
9 cated in two thousand twenty-six. Program fifteen will cover tax incen-
10 tives allocated in two thousand twenty-seven. The commissioner is
11 authorized to allocate up to twenty-five million dollars of tax credits
12 under program one, ten million dollars of tax credits under program two,
13 twenty million dollars of tax credits under program three, fifty million
14 dollars of tax credits under each of programs four and five, and forty
15 million dollars of tax credits under programs six, seven, eight, nine
16 [and], ten, eleven, twelve, thirteen, fourteen and fifteen.

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

20 (4) For programs six, seven, eight, nine [and], ten, eleven, twelve,
21 thirteen, fourteen, and fifteen the tax credit under each program shall
22 be allocated as follows: (i) twenty million dollars of tax credit for
23 qualified employees; and (ii) twenty million dollars of tax credit for
24 individuals who meet all of the requirements for a qualified employee
25 except for the residency requirement of subparagraph (ii) of paragraph
26 two of this subdivision, which individuals shall be deemed to meet the
27 residency requirements of subparagraph (ii) of paragraph two of this
28 subdivision if they reside in New York state.

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

4 To participate in the program established under this section, an
5 employer must submit an application (in a form prescribed by the commis-
6 sioner) to the commissioner after January first, two thousand twelve but
7 no later than November thirtieth, two thousand twelve for program one,
8 after January first, two thousand fourteen but no later than November
9 thirtieth, two thousand fourteen for program two, after January first,
10 two thousand fifteen but no later than November thirtieth, two thousand
11 fifteen for program three, after January first, two thousand sixteen but
12 no later than November thirtieth, two thousand sixteen for program four,
13 after January first, two thousand seventeen but no later than November
14 thirtieth, two thousand seventeen for program five, after January first,
15 two thousand eighteen but no later than November thirtieth, two thousand
16 eighteen for program six, after January first, two thousand nineteen but
17 no later than November thirtieth, two thousand nineteen for program
18 seven, after January first, two thousand twenty but no later than Novem-
19 ber thirtieth, two thousand twenty for program eight, after January
20 first, two thousand twenty-one but no later than November thirtieth, two
21 thousand twenty-one for program nine, [and] after January first, two
22 thousand twenty-two but no later than November thirtieth, two thousand
23 twenty-two for program ten, after January first, two thousand twenty-
24 three but no later than November thirtieth, two thousand twenty-three
25 for program eleven, after January first, two thousand twenty-four but no
26 later than November thirtieth, two thousand twenty-four for program
27 twelve, after January first, two thousand twenty-five but no later than
28 November thirtieth, two thousand twenty-five for program thirteen, after

1 January first, two thousand twenty-six but no later than November thir-
2 tieth, two thousand twenty-six for program fourteen, and after January
3 first, two thousand twenty-seven but no later than November thirtieth,
4 two thousand twenty-seven for program fifteen. The qualified employees
5 must start their employment on or after January first, two thousand
6 twelve but no later than December thirty-first, two thousand twelve for
7 program one, on or after January first, two thousand fourteen but no
8 later than December thirty-first, two thousand fourteen for program two,
9 on or after January first, two thousand fifteen but no later than Decem-
10 ber thirty-first, two thousand fifteen for program three, on or after
11 January first, two thousand sixteen but no later than December thirty-
12 first, two thousand sixteen for program four, on or after January first,
13 two thousand seventeen but no later than December thirty-first, two
14 thousand seventeen for program five, on or after January first, two
15 thousand eighteen but no later than December thirty-first, two thousand
16 eighteen for program six, on or after January first, two thousand nine-
17 teen but no later than December thirty-first, two thousand nineteen for
18 program seven, on or after January first, two thousand twenty but no
19 later than December thirty-first, two thousand twenty for program eight,
20 on or after January first, two thousand twenty-one but no later than
21 December thirty-first, two thousand twenty-one for program nine, [and]
22 on or after January first, two thousand twenty-two but no later than
23 December thirty-first, two thousand twenty-two for program ten, on or
24 after January first, two thousand twenty-three but no later than Decem-
25 ber thirty-first, two thousand three for program eleven, on or after
26 January first, two thousand twenty-four but no later than December thir-
27 ty-first, two thousand twenty-four for program twelve, on or after Janu-
28 ary first, two thousand twenty-five but no later than December thirty-

1 first, two thousand twenty-five for program thirteen, on or after
2 January first, two thousand twenty-six but no later than December thir-
3 ty-first, two thousand twenty-six for program fourteen, and on or after
4 January first, two thousand twenty-seven but no later than December
5 thirty-first, two thousand twenty-seven for program fifteen. As part of
6 such application, an employer must:

7 § 4. This act shall take effect immediately.

8 PART O

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

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

22 § 2. This act shall take effect immediately.

23 PART P

1 Section 1. Subdivision 6 of section 187-b of the tax law, as amended
2 by section 1 of part 0 of chapter 59 of the laws of 2017, is amended to
3 read as follows:

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

7 § 2. Paragraph (f) of subdivision 30 of section 210-B of the tax law,
8 as amended by section 2 of part 0 of chapter 59 of the laws of 2017, is
9 amended to read as follows:

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

13 § 3. Paragraph 6 of subsection (p) of section 606 of the tax law, as
14 amended by section 3 of part 0 of chapter 59 of the laws of 2017, is
15 amended to read as follows:

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

19 § 4. This act shall take effect immediately.

20 PART Q

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

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

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

6 (f) The tax credits provided under this program shall be applicable to
7 taxable periods beginning on or before January first, two thousand twen-
8 ty-nine.

9 § 3. This act shall take effect immediately.

10 PART R

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

14 1-A. The term "New York S corporation" means, with respect to any
15 taxable year, a corporation subject to tax under this article [for which
16 an election is in effect pursuant to] and described in paragraph (i) or
17 (ii) of subsection (a) of section six hundred sixty of this chapter [for
18 such year], and any such year shall be denominated a "New York S year" [,
19 and such election shall be denominated a "New York S election"]. The
20 term "New York C corporation" means, with respect to any taxable year, a
21 corporation subject to tax under this article which is not a New York S
22 corporation, and any such year shall be denominated a "New York C year".
23 The term "termination year" means any taxable year of a corporation
24 during which the corporation's status as a New York S [election] corpo-
25 ration terminates on a day other than the first day of such year. The
26 portion of the taxable year ending before the first day for which such

1 termination is effective shall be denominated the "S short year", and
2 the portion of such year beginning on such first day shall be denomi-
3 nated the "C short year". The term "New York S termination year" means
4 any termination year which is [not] also an S termination year for
5 federal purposes.

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

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

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

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

21 (ii) [where such election has not been made with respect to such
22 corporation, there shall be subtracted from federal unrelated business
23 taxable income any items of income of the corporation included therein,
24 and there shall be added to federal unrelated business taxable income
25 any items of loss or deduction included therein, and

26 (iii)] in the case of a New York S termination year, the amount of any
27 such items of S corporation income, loss, deduction and reductions for

1 taxes shall be adjusted in the manner provided in paragraph two or three
2 of subsection (s) of section six hundred twelve of this chapter.

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

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

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

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

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

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

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

1 (20) S corporation distributions to the extent not included in federal
2 gross income for the taxable year because of the application of section
3 thirteen hundred sixty-eight, subsection (e) of section thirteen hundred
4 seventy-one or subsection (c) of section thirteen hundred seventy-nine
5 of the internal revenue code which represent income not previously
6 subject to tax under this article because the election provided for in
7 subsection (a) of section six hundred sixty in effect for taxable years
8 beginning before January first, two thousand twenty-three had not been
9 made. Any such distribution treated in the manner described in paragraph
10 two of subsection (b) of section thirteen hundred sixty-eight of the
11 internal revenue code for federal income tax purposes shall be treated
12 as ordinary income for purposes of this article.

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

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

24 (21) In relation to the disposition of stock or indebtedness of a
25 corporation which elected under subchapter s of chapter one of the
26 internal revenue code for any taxable year of such corporation begin-
27 ning, in the case of a corporation taxable under article nine-A of this
28 chapter, after December thirty-first, nineteen hundred eighty and before

1 January first, two thousand twenty-three, the amounts required to be
2 subtracted from federal adjusted gross income pursuant to subsection (n)
3 of this section.

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

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

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

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

27 (3)] New York S termination year. In the case of a New York S termi-
28 nation year, the amounts of the modifications required under this

1 section which relate to the S corporation's items of income, loss,
2 deduction and reductions for taxes (as described in paragraphs two and
3 three of subsection (f) of section thirteen hundred sixty-six of the
4 internal revenue code) shall be adjusted in the same manner that the S
5 corporation's items are adjusted under subsection (s) of section six
6 hundred twelve.

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

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

13 (1) There shall be added to federal adjusted gross income the amount
14 of increase in basis with respect to such stock or indebtedness pursuant
15 to subsection (a) of section thirteen hundred seventy-six of the inter-
16 nal revenue code as such section was in effect for taxable years begin-
17 ning before January first, nineteen hundred eighty-three and subpara-
18 graphs (A) and (B) of paragraph one of subsection (a) of section
19 thirteen hundred sixty-seven of such code, for each taxable year of the
20 corporation beginning, in the case of a corporation taxable under arti-
21 cle nine-A of this chapter, after December thirty-first, nineteen
22 hundred eighty and before January first, two thousand twenty-three, and
23 in the case of a corporation taxable under former article thirty-two of
24 this chapter, after December thirty-first, nineteen hundred ninety-six
25 and before January first, two thousand fifteen, for which the election
26 provided for in subsection (a) of section six hundred sixty of this
27 article was not in effect, and

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

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

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

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

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

22 (e) Modifications of partners and shareholders of S corporations. (1)
23 Partners and shareholders of S corporations [which are not New York C
24 corporations]. The amounts of modifications under subsection (c) or
25 under paragraph (2) or (3) of subsection (d) required to be made by a
26 partner or by a shareholder of an S corporation [(other than an S corpo-
27 ration which is a New York C corporation)], with respect to items of

1 deduction of a partnership or S corporation shall be determined under
2 section six hundred seventeen.

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

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

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

15 (a) Partner's and shareholder's modifications. In determining New York
16 adjusted gross income and New York taxable income of a resident partner
17 or a resident shareholder of an S corporation [(other than an S corpo-
18 ration which is a New York C corporation)], any modification described
19 in subsections (b), (c) or (d) of section six hundred twelve, subsection
20 (c) of section six hundred fifteen or paragraphs (2) or (3) of
21 subsection (d) of such section, which relates to an item of partnership
22 or S corporation income, gain, loss or deduction shall be made in
23 accordance with the partner's distributive share or the shareholder's
24 pro rata share, for federal income tax purposes, of the item to which
25 the modification relates. Where a partner's distributive share or a
26 shareholder's pro rata share of any such item is not required to be
27 taken into account separately for federal income tax purposes, the part-
28 ner's or shareholder's share of such item shall be determined in accord-

1 ance with his or her share, for federal income tax purposes, of partner-
2 ship or S corporation taxable income or loss generally. In the case of a
3 New York S termination year, his or her pro rata share of any such item
4 shall be determined under subsection (s) of section six hundred twelve.

5 § 14. Subparagraph (E-1) of paragraph 1 of subsection (b) of section
6 631 of the tax law, as added by section 3 of part C of chapter 57 of the
7 laws of 2010, is amended to read as follows:

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

17 § 15. The section heading and paragraph 2 of subsection (a) of section
18 632 of the tax law, the section heading as amended by chapter 606 of the
19 laws of 1984, and paragraph 2 of subsection (a) as amended by section 71
20 of part A of chapter 59 of the laws of 2014, are amended to read as
21 follows:

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

23 (2) In determining New York source income of a nonresident shareholder
24 of an S corporation [where the election provided for in] subject to
25 subsection (a) of section six hundred sixty of this article [is in
26 effect], there shall be included only the portion derived from or
27 connected with New York sources of such shareholder's pro rata share of
28 items of S corporation income, loss and deduction entering into [his]

1 such shareholder's federal adjusted gross income, increased by
2 reductions for taxes described in paragraphs two and three of subsection
3 (f) of section thirteen hundred sixty-six of the internal revenue code,
4 as such portion shall be determined under regulations of the commission-
5 er consistent with the applicable methods and rules for [allocation]
6 apportionment under article nine-A of this chapter[, regardless of
7 whether or not such item or reduction is included in entire net income
8 under article nine-A for the tax year]. If a nonresident is a sharehold-
9 er in an S corporation [where the election provided for in] subject to
10 subsection (a) of section six hundred sixty of this article [is in
11 effect], and the S corporation has distributed an installment obligation
12 under section 453(h)(1)(A) of the Internal Revenue Code, then any gain
13 recognized on the receipt of payments from the installment obligation
14 for federal income tax purposes will be treated as New York source
15 income allocated in a manner consistent with the applicable methods and
16 rules for [allocation] apportionment under article nine-A of this chap-
17 ter in the year that the assets were sold. In addition, if the share-
18 holders of the S corporation have made an election under section
19 338(h)(10) of the Internal Revenue Code, then any gain recognized on the
20 deemed asset sale for federal income tax purposes will be treated as New
21 York source income allocated in a manner consistent with the applicable
22 methods and rules for [allocation] apportionment under article nine-A of
23 this chapter in the year that the shareholder made the section
24 338(h)(10) election. For purposes of a section 338(h)(10) election, when
25 a nonresident shareholder exchanges his or her S corporation stock as
26 part of the deemed liquidation, any gain or loss recognized shall be
27 treated as the disposition of an intangible asset and will not increase

1 or offset any gain recognized on the deemed assets sale as a result of
2 the section 338(h)(10) election.

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

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

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

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

9 (A) General. Every entity which is a partnership, other than a public-
10 ly traded partnership as defined in section 7704 of the federal Internal
11 Revenue Code, subchapter K limited liability company or an S corporation
12 [for which the election provided for in subsection (a) of section six
13 hundred sixty of this part is in effect], which has partners, members or
14 shareholders who are nonresident individuals, as defined under
15 subsection (b) of section six hundred five of this article, or C corpo-
16 rations, and which has any income derived from New York sources, deter-
17 mined in accordance with the applicable rules of section six hundred
18 thirty-one of this article as in the case of a nonresident individual,
19 shall pay estimated tax on such income on behalf of such partners,
20 members or shareholders in the manner and at the times prescribed by
21 subsection (c) of section six hundred eighty-five of this article. For
22 purposes of this paragraph, the term "estimated tax" shall mean a part-
23 ner's, member's or shareholder's distributive share or pro rata share of
24 the entity income derived from New York sources, multiplied by the high-
25 est rate of tax prescribed by section six hundred one of this article
26 for the taxable year of any partner, member or shareholder who is an
27 individual taxpayer, or paragraph (a) of subdivision one of section two
28 hundred ten of this chapter for the taxable year of any partner, member

1 or shareholder which is a C corporation, whether or not such C corpo-
2 ration is subject to tax under article nine, nine-A or thirty-three of
3 this chapter, and reduced by the distributive share or pro rata share of
4 any credits determined under section one hundred eighty-seven, one
5 hundred eighty-seven-a, six hundred six or fifteen hundred eleven of
6 this chapter, whichever is applicable, derived from the entity.

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

18 § 660. [Election by shareholders of S corporations] Tax treatment of
19 federal S corporations. (a) [Election.] If a corporation is an eligible
20 S corporation, the shareholders of the corporation [may elect in the
21 manner set forth in subsection (b) of this section to] shall take into
22 account, to the extent provided for in this article (or in article thir-
23 teen of this chapter, in the case of a shareholder which is a taxpayer
24 under such article), the S corporation items of income, loss, deduction
25 and reductions for taxes described in paragraphs two and three of
26 subsection (f) of section thirteen hundred sixty-six of the internal
27 revenue code which are taken into account for federal income tax
28 purposes for the taxable year. [No election under this subsection shall

1 be effective unless all shareholders of the corporation have so
2 elected.] An eligible S corporation is (i) [an S] a corporation that has
3 elected to be an S corporation for federal income tax purposes pursuant
4 to section thirteen hundred sixty-two of the internal revenue code which
5 is subject to tax under article nine-A of this chapter, or (ii) [an S] a
6 corporation that has elected to be an S corporation for federal income
7 tax purposes pursuant to section thirteen hundred sixty-two of the
8 internal revenue code which is the parent of a qualified subchapter S
9 subsidiary as defined in subparagraph (B) of paragraph three of
10 subsection (b) of section thirteen hundred sixty-one of the internal
11 revenue code subject to tax under article nine-A[, where the sharehold-
12 ers of such parent corporation are entitled to make the election under
13 this subsection by reason of subparagraph three of paragraph (k) of
14 subdivision nine of section two hundred eight] of this chapter.

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

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

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

27 (A) on one or more days in such taxable year before the day on which
28 the election was made the corporation did not meet the requirements of

1 subsection (b) of section thirteen hundred sixty-one of the internal
2 revenue code or

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

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

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

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

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

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

27 (6) Years for which effective. An election under subsection (a) of
28 this section shall be effective for the taxable year of the corporation

1 for which it is made and for all succeeding taxable years of the corpo-
2 ration until such election is terminated under subsection (c) of this
3 section.

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

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

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

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

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

20 (C) on and after the date so specified, if the revocation specifies a
21 date for revocation which is on or after the day on which the revocation
22 is made, or

23 (3) if any person who was not a shareholder of the corporation on the
24 day on which the election is made becomes a shareholder in the corpo-
25 ration and affirmatively refuses to consent to such election in the
26 manner the tax commission may prescribe by regulation, on the day such
27 person becomes a shareholder].

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

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

14 (2) the commissioner determines that the circumstances resulting in
15 such ineffectiveness were inadvertent,

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

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

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

27 (f)] (d) Qualified subchapter S subsidiaries. If an S corporation has
28 elected to treat its wholly owned subsidiary as a qualified subchapter S

1 subsidiary for federal income tax purposes under paragraph three of
2 subsection (b) of section thirteen hundred sixty-one of the internal
3 revenue code, such election shall be applicable for New York state tax
4 purposes and

5 (1) the assets, liabilities, income, deductions, property, payroll,
6 receipts, capital, credits, and all other tax attributes and elements of
7 economic activity of the subsidiary shall be deemed to be those of the
8 parent corporation,

9 (2) transactions between the parent corporation and the subsidiary,
10 including the payment of interest and dividends, shall not be taken into
11 account, and

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

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

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

25 (3) then] such corporation shall be treated as [a New York] an eligi-

26 ble S corporation subject to subsection (a) of this section during
27 [such] the year or years for which such election has been validated.

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

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

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

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

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

27 (4) Estimated tax payments. When making estimated tax payments
28 required to be made under this chapter in the current tax year, the

1 eligible S corporation and its shareholders may rely on the eligible S
2 corporation's filing status for the prior year. If the eligible S corpo-
3 ration's filing status changes from the prior tax year the corporation
4 or the shareholders, as the case may be, which made the payments shall
5 be entitled to a refund of such estimated tax payments. No additions to
6 tax with respect to any required declarations or payments of estimated
7 tax imposed under this chapter shall be imposed on the corporation or
8 shareholders, whichever is the taxpayer for the current taxable year, if
9 the corporation or the shareholders file such declarations and make such
10 estimated tax payments by January fifteenth of the following calendar
11 year, regardless of whether the taxpayer's tax year is a calendar or a
12 fiscal year.]

13 § 19. Transition rules. Any prior net operating loss conversion
14 subtraction and net operating loss carryforward that otherwise would
15 have been allowed under subparagraphs (viii) and (ix), respectively, of
16 paragraph (a) of subdivision 1 of section 210 of the tax law for the
17 taxable years beginning on or after January 1, 2023 to any taxpayer that
18 was a New York C corporation for a taxable year beginning on or after
19 January 1, 2022 and before January 1, 2023, and that becomes a New York
20 S corporation for a taxable year beginning on or after January 1, 2023
21 as a result of the amendments made by this act, shall be held in abey-
22 ance and be available to such taxpayer if its election to be a federal S
23 corporation is terminated. Further, any credit carryforwards allowed to
24 such a taxpayer under section 210-B of the tax law shall be held in
25 abeyance and be available to such taxpayer if its election to be a
26 federal S corporation is terminated. However, the taxpayer's years as a
27 New York S corporation shall be counted for purposes of computing any
28 time period applicable to the allowance of the prior net operating loss

1 conversion subtraction or carryforward, the net operating loss
2 deduction, or any credit carryforward.

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

5 PART S

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

9 (i) A credit shall be allowed under this subdivision with respect to
10 tangible personal property and other tangible property, including build-
11 ings and structural components of buildings, which are: depreciable
12 pursuant to section one hundred sixty-seven of the internal revenue
13 code, have a useful life of four years or more, are acquired by purchase
14 as defined in section one hundred seventy-nine (d) of the internal
15 revenue code, have a situs in this state and are (A) principally used by
16 the taxpayer in the production of goods by manufacturing, processing,
17 assembling, refining, mining, extracting, farming, agriculture, horti-
18 culture, floriculture, viticulture or commercial fishing, (B) industrial
19 waste treatment facilities or air pollution control facilities, used in
20 the taxpayer's trade or business, (C) research and development property,
21 or (D) principally used in the ordinary course of the taxpayer's trade
22 or business as a broker or dealer in connection with the purchase or
23 sale (which shall include but not be limited to the issuance, entering
24 into, assumption, offset, assignment, termination, or transfer) of
25 stocks, bonds or other securities as defined in section four hundred
26 seventy-five (c)(2) of the Internal Revenue Code, or of commodities as

1 defined in section four hundred seventy-five (e) of the Internal Revenue
2 Code, (E) principally used in the ordinary course of the taxpayer's
3 trade or business of providing investment advisory services for a regu-
4 lated investment company as defined in section eight hundred fifty-one
5 of the Internal Revenue Code, or lending, loan arrangement or loan orig-
6 ination services to customers in connection with the purchase or sale
7 (which shall include but not be limited to the issuance, entering into,
8 assumption, offset, assignment, termination, or transfer) of securities
9 as defined in section four hundred seventy-five (c) (2) of the Internal
10 Revenue Code, (F) principally used in the ordinary course of the taxpay-
11 er's business as an exchange registered as a national securities
12 exchange within the meaning of sections 3(a) (1) and 6(a) of the Securi-
13 ties Exchange Act of 1934 or a board of trade as defined in subparagraph
14 one of paragraph (a) of section fourteen hundred ten of the not-for-pro-
15 fit corporation law or as an entity that is wholly owned by one or more
16 such national securities exchanges or boards of trade and that provides
17 automation or technical services thereto, or (G) principally used as a
18 qualified film production facility including qualified film production
19 facilities having a situs in an empire zone designated as such pursuant
20 to article eighteen-B of the general municipal law, where the taxpayer
21 is providing three or more services to any qualified film production
22 company using the facility, including such services as a studio lighting
23 grid, lighting and grip equipment, multi-line phone service, broadband
24 information technology access, industrial scale electrical capacity,
25 food services, security services, and heating, ventilation and air
26 conditioning. For purposes of clauses (D), (E) and (F) of this subpara-
27 graph, property purchased by a taxpayer affiliated with a regulated
28 broker, dealer, registered investment advisor, national securities

1 exchange or board of trade, is allowed a credit under this subdivision
2 if the property is used by its affiliated regulated broker, dealer,
3 registered investment advisor, national securities exchange or board of
4 trade in accordance with this subdivision. For purposes of determining
5 if the property is principally used in qualifying uses, the uses by the
6 taxpayer described in clauses (D) and (E) of this subparagraph may be
7 aggregated. In addition, the uses by the taxpayer, its affiliated regu-
8 lated broker, dealer and registered investment advisor under either or
9 both of those clauses may be aggregated. Provided, however, a taxpayer
10 shall not be allowed the credit provided by clauses (D), (E) and (F) of
11 this subparagraph unless the property is first placed in service before
12 October first, two thousand fifteen and (i) eighty percent or more of
13 the employees performing the administrative and support functions
14 resulting from or related to the qualifying uses of such equipment are
15 located in this state or (ii) the average number of employees that
16 perform the administrative and support functions resulting from or
17 related to the qualifying uses of such equipment and are located in this
18 state during the taxable year for which the credit is claimed is equal
19 to or greater than ninety-five percent of the average number of employ-
20 ees that perform these functions and are located in this state during
21 the thirty-six months immediately preceding the year for which the cred-
22 it is claimed, or (iii) the number of employees located in this state
23 during the taxable year for which the credit is claimed is equal to or
24 greater than ninety percent of the number of employees located in this
25 state on December thirty-first, nineteen hundred ninety-eight or, if the
26 taxpayer was not a calendar year taxpayer in nineteen hundred ninety-
27 eight, the last day of its first taxable year ending after December
28 thirty-first, nineteen hundred ninety-eight. If the taxpayer becomes

1 subject to tax in this state after the taxable year beginning in nine-
2 teen hundred ninety-eight, then the taxpayer is not required to satisfy
3 the employment test provided in the preceding sentence of this subpara-
4 graph for its first taxable year. For purposes of clause (iii) of this
5 subparagraph the employment test will be based on the number of employ-
6 ees located in this state on the last day of the first taxable year the
7 taxpayer is subject to tax in this state. If the uses of the property
8 must be aggregated to determine whether the property is principally used
9 in qualifying uses, then either each affiliate using the property must
10 satisfy this employment test or this employment test must be satisfied
11 through the aggregation of the employees of the taxpayer, its affiliated
12 regulated broker, dealer, and registered investment adviser using the
13 property. For purposes of clause (A) of this subparagraph, tangible
14 personal property and other tangible property shall not include property
15 principally used by the taxpayer (I) in the production or distribution
16 of electricity, natural gas after extraction from wells, steam, or water
17 delivered through pipes and mains, or (II) in the creation, production
18 or reproduction, in any medium, of any audio or visual recording,
19 including but not limited to films, television shows, commercials, and
20 musical recordings, or in the duplication, for purposes of broadcast in
21 any medium, of a master of any audio or visual recording, including but
22 not limited to films, television shows, commercials, and musical
23 recordings.

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

27 (A) A credit shall be allowed under this subsection with respect to
28 tangible personal property and other tangible property, including build-

1 ings and structural components of buildings, which are: depreciable
2 pursuant to section one hundred sixty-seven of the internal revenue
3 code, have a useful life of four years or more, are acquired by purchase
4 as defined in section one hundred seventy-nine (d) of the internal
5 revenue code, have a situs in this state and are (i) principally used by
6 the taxpayer in the production of goods by manufacturing, processing,
7 assembling, refining, mining, extracting, farming, agriculture, horti-
8 culture, floriculture, viticulture or commercial fishing, (ii) indus-
9 trial waste treatment facilities or air pollution control facilities,
10 used in the taxpayer's trade or business, (iii) research and development
11 property, (iv) principally used in the ordinary course of the taxpayer's
12 trade or business as a broker or dealer in connection with the purchase
13 or sale (which shall include but not be limited to the issuance, enter-
14 ing into, assumption, offset, assignment, termination, or transfer) of
15 stocks, bonds or other securities as defined in section four hundred
16 seventy-five (c) (2) of the Internal Revenue Code, or of commodities as
17 defined in section 475(e) of the Internal Revenue Code, (v) principally
18 used in the ordinary course of the taxpayer's trade or business of
19 providing investment advisory services for a regulated investment compa-
20 ny as defined in section eight hundred fifty-one of the Internal Revenue
21 Code, or lending, loan arrangement or loan origination services to
22 customers in connection with the purchase or sale (which shall include
23 but not be limited to the issuance, entering into, assumption, offset,
24 assignment, termination, or transfer) of securities as defined in
25 section four hundred seventy-five (c) (2) of the Internal Revenue Code,
26 or (vi) principally used as a qualified film production facility includ-
27 ing qualified film production facilities having a situs in an empire
28 zone designated as such pursuant to article eighteen-B of the general

1 municipal law, where the taxpayer is providing three or more services to
2 any qualified film production company using the facility, including such
3 services as a studio lighting grid, lighting and grip equipment, multi-
4 line phone service, broadband information technology access, industrial
5 scale electrical capacity, food services, security services, and heat-
6 ing, ventilation and air conditioning. For purposes of clauses (iv) and
7 (v) of this subparagraph, property purchased by a taxpayer affiliated
8 with a regulated broker, dealer, or registered investment adviser is
9 allowed a credit under this subsection if the property is used by its
10 affiliated regulated broker, dealer or registered investment adviser in
11 accordance with this subsection. For purposes of determining if the
12 property is principally used in qualifying uses, the uses by the taxpay-
13 er described in clauses (iv) and (v) of this subparagraph may be aggre-
14 gated. In addition, the uses by the taxpayer, its affiliated regulated
15 broker, dealer and registered investment adviser under either or both of
16 those clauses may be aggregated. Provided, however, a taxpayer shall not
17 be allowed the credit provided by clauses (iv) and (v) of this subpara-
18 graph unless (I) eighty percent or more of the employees performing the
19 administrative and support functions resulting from or related to the
20 qualifying uses of such equipment are located in this state, or (II) the
21 average number of employees that perform the administrative and support
22 functions resulting from or related to the qualifying uses of such
23 equipment and are located in this state during the taxable year for
24 which the credit is claimed is equal to or greater than ninety-five
25 percent of the average number of employees that perform these functions
26 and are located in this state during the thirty-six months immediately
27 preceding the year for which the credit is claimed, or (III) the number
28 of employees located in this state during the taxable year for which the

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

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

3 PART T

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

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

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

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

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

23 A subsequent purchaser shall be eligible for reimbursement of tax with
24 respect to the following gallonage, subsequently sold by such purchaser
25 in accordance with subdivision (a), (b), (e), (h), (j) or (k) of this
26 section or used by such purchaser in accordance with subdivision (c),

1 (d), (f), (g), (i), (l) [or], (m) or (q) of this section, which gallo-
2 nage has been included in the measure of the tax imposed by this article
3 on a petroleum business:

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

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

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

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

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

9 (2) the following counties that impose taxes described in subdivision
10 (a) of this section at the rate of three percent as authorized above in
11 this paragraph are hereby further authorized and empowered to adopt and
12 amend local laws, ordinances, or resolutions imposing such taxes at
13 additional rates, in quarter percent increments, not to exceed the
14 following rates, which rates are additional to the three percent rate
15 authorized above in this paragraph:

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

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

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

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

27 (E) Provided, however, that (I) the county of Rockland may impose
28 additional rates of five-eighths percent and three-eighths percent, in

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

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

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

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

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

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

22 § 3. Subparagraphs (iii) and (iv) of the opening paragraph of section
23 1210 of the tax law are REPEALED and a new subparagraph (iii) is added
24 to read as follows:

25 (iii) the maximum rate referred to in section twelve hundred twenty-
26 four of this article shall be calculated without reference to the addi-
27 tional rates authorized for counties, other than the counties of Cayuga,

1 Cortland, Fulton, Madison, and Otsego, in clause two of subparagraph (i)
2 and the cities in subparagraph (ii) of this paragraph.

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

5 (p) Notwithstanding any provision of this section or any other law to
6 the contrary, a county authorized to impose an additional rate or rates
7 of sales and compensating use taxes by clause two of subparagraph (i) of
8 the opening paragraph of this section, or a city, other than the city of
9 Mount Vernon, authorized to impose an additional rate of such taxes by
10 subparagraph (ii) of such opening paragraph, may adopt a local law,
11 ordinance, or resolution by a majority vote of its governing body impos-
12 ing such rate or rates for a period not to exceed two years, and any
13 such period must end on November thirtieth of an odd-numbered year.
14 Notwithstanding the preceding sentence, the city of White Plains is
15 authorized to exceed such two-year limitation to impose the tax author-
16 ized by subparagraph (ii) of such opening paragraph for the period
17 commencing on September first, two thousand twenty-three and ending on
18 November thirtieth, two thousand twenty-five. Any such local law, ordi-
19 nance, or resolution shall also be subject to the provisions of subdivi-
20 sions (d) and (e) of this section.

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

22 § 6. Subdivisions (d), (e), (f), (g), (h), (i), (j), (k), (l), (m),
23 (n), (o), (p), (q), (r), (s), (t), (u), (v), (w), (x), (y), (z), (z-1),
24 (aa), (bb), (cc), (dd), (ee), (ff), (gg), (hh), (ii) and (jj) of section
25 1224 of the tax law are REPEALED.

26 § 7. Section 1224 of the tax law is amended by adding three new subdivi-
27 sions (d), (e), and (f) to read as follows:

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

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

16 (1) Counties:

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

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

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

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

27 (E) Provided, however, that the county of Westchester shall have the
28 sole right to impose the additional one percent rate of tax which such

1 county is authorized to impose pursuant to the authority of clause two
2 of subparagraph (i) of the opening paragraph of section twelve hundred
3 ten of this article in the area of the county outside the cities of
4 Mount Vernon, New Rochelle, White Plains, and Yonkers.

5 (2) Cities:

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

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

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

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

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

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

12 (f) Each of the following cities is authorized to preempt the taxes
13 imposed by the county in which it is located pursuant to the authority
14 of section twelve hundred ten of this article, to the extent of one-half
15 the maximum aggregate rate authorized under section twelve hundred ten
16 of this article, including the additional rate that the county in which
17 such city is located is authorized to impose: Auburn, in Cayuga county;
18 Cortland, in Cortland county; Gloversville and Johnstown, in Fulton
19 county; Oneida, in Madison county; Oneonta, in Otsego county. As of the
20 date this subdivision takes effect, any such preemption by such a city
21 in effect on such date shall continue in full force and effect until the
22 effective date of a local law, ordinance, or resolution adopted or
23 amended by the city to change such preemption. Any preemption by such a
24 city pursuant to this subdivision that takes effect after the effective
25 date of this subdivision shall be subject to the notice requirements in
26 section twelve hundred twenty-three of this subpart and to the other
27 requirements of this article.

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

4 § 1262-g. Oneida county allocation and distribution of net collections
5 from the additional [one percent rate] rates of sales and compensating
6 use taxes. Notwithstanding any contrary provision of law, (a) if the
7 county of Oneida imposes sales and compensating use taxes at a rate
8 which is one percent additional to the three percent rate authorized by
9 section twelve hundred ten of this article, as authorized by such
10 section, [(a)] (i) where a city in such county imposes tax pursuant to
11 the authority of subdivision (a) of such section twelve hundred ten,
12 such county shall allocate, distribute and pay in cash quarterly to such
13 city one-half of the net collections attributable to such additional one
14 percent rate of the county's taxes collected in such city's boundaries;
15 [(b)] (ii) where a city in such county does not impose tax pursuant to
16 the authority of such subdivision (a) of such section twelve hundred
17 ten, such county shall allocate, distribute and pay in cash quarterly to
18 such city not so imposing tax a portion of the net collections attribut-
19 able to one-half of the county's additional one percent rate of tax
20 calculated on the basis of the ratio which such city's population bears
21 to the county's total population, such populations as determined in
22 accordance with the latest decennial federal census or special popu-
23 lation census taken pursuant to section twenty of the general municipal
24 law completed and published prior to the end of the quarter for which
25 the allocation is made, which special census must include the entire
26 area of the county; [and (c)] provided, however, that such county shall
27 dedicate the first one million five hundred thousand dollars of net
28 collections attributable to such additional one percent rate of tax

1 received by such county after the county receives in the aggregate eigh-
2 teen million five hundred thousand dollars of net collections from such
3 additional one percent rate of tax [imposed for any of the periods:
4 September first, two thousand twelve through August thirty-first, two
5 thousand thirteen; September first, two thousand thirteen through August
6 thirty-first, two thousand fourteen; and September first, two thousand
7 fourteen through August thirty-first, two thousand fifteen; September
8 first, two thousand fifteen through August thirty-first, two thousand
9 sixteen; and September first, two thousand sixteen through August thir-
10 ty-first, two thousand seventeen; September first, two thousand seven-
11 teen through August thirty-first, two thousand eighteen; September
12 first, two thousand eighteen through August thirty-first, two thousand
13 twenty; and September first, two thousand twenty through August thirty-
14 first, two thousand twenty-three,] to an allocation on a per capita
15 basis, utilizing figures from the latest decennial federal census or
16 special population census taken pursuant to section twenty of the gener-
17 al municipal law, completed and published prior to the end of the year
18 for which such allocation is made, which special census must include the
19 entire area of such county, to be allocated and distributed among the
20 towns of Oneida county by appropriation of its board of legislators;
21 provided, further, that nothing herein shall require such board of
22 legislators to make any such appropriation until it has been notified by
23 any town by appropriate resolution and, in any case where there is a
24 village wholly or partly located within a town, a resolution of every
25 such village, embodying the agreement of such town and village or
26 villages upon the amount of such appropriation to be distributed to such
27 village or villages out of the allocation to the town or towns in which
28 it is located. (b) If the county of Oneida imposes sales and compensat-

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

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

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

22 (2) Notwithstanding the provisions of subdivision (c) of section
23 twelve hundred sixty-two of this part to the contrary, if the cities of
24 Canandaigua and Geneva in the county of Ontario do not impose sales and
25 compensating use taxes pursuant to the authority of section twelve
26 hundred ten of this article and such cities and county enter into an
27 agreement pursuant to the authority of subdivision (c) of section twelve

1 hundred sixty-two of this part to be effective March first, two thousand
2 six, such agreement may provide that:

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

5 § 1262-v. Disposition of net collections from the additional rate of
6 sales and compensating use tax in Clinton county. Notwithstanding any
7 contrary provision of law, if the county of Clinton imposes the addi-
8 tional one percent rate of sales and compensating use taxes authorized
9 pursuant to clause two of subparagraph (i) of the opening paragraph of
10 section twelve hundred ten of this article, net collections from such
11 additional rate shall be paid to the county and the county shall set
12 aside such net collections and use them solely for county purposes. Such
13 net collections shall not be subject to any revenue distribution agree-
14 ment entered into by the county and the city in the county pursuant to
15 the authority of subdivision (c) of section twelve hundred sixty-two of
16 this part.

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

20 § 1262-s. Disposition of net collections from the additional one-quar-
21 ter of one percent rate of sales and compensating use taxes in the coun-
22 ty of Herkimer. Notwithstanding any contrary provision of law, if the
23 county of Herkimer imposes [the additional] sales and compensating use
24 tax at a rate that is one and one-quarter [of one] percent [rate of
25 sales and compensating use taxes] additional to the three percent rate
26 authorized by section twelve hundred ten of this article as authorized
27 by [section twelve hundred ten-E] clause two of subparagraph (i) of the
28 opening paragraph of section twelve hundred ten of this article [for all

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

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

16 § 1265. References to certain provisions authorizing additional rates
17 or to expirations of a period. Notwithstanding any provision of law to
18 the contrary: (a) any reference in any section of this chapter or other
19 law, or in any local law, ordinance, or resolution adopted pursuant to
20 the authority of this article, to net collections or revenues from a tax
21 imposed by a county or city pursuant to the authority of a clause, or to
22 a subclause of a clause, of subparagraph (i) or (ii) of the opening
23 paragraph of section twelve hundred ten of this article repealed by
24 section one or two of a part of a chapter of the laws of two thousand
25 twenty-two that added this section or pursuant to section twelve hundred
26 ten-E of this article repealed by section five of such part shall be
27 deemed to be a reference to net collections or revenues from a tax
28 imposed by that county or city pursuant to the authority of the equiv-

1 alent provision of clause two of subparagraph (i) or to subparagraph
2 (ii) of the opening paragraph of such section twelve hundred ten as
3 added by such section one or two of such part of a chapter of the laws
4 of two thousand twenty-two; (b) any reference in this chapter or in any
5 other law relating to the expiration of a provision concerning the
6 distribution of revenue from the taxes authorized to be imposed by the
7 opening paragraph of section twelve hundred ten of this article shall be
8 disregarded, and such provision shall continue in effect unless later
9 amended or repealed.

10 § 13. This act shall take effect immediately.

11 PART V

12 Section 1. Subdivision (c) of section 1101 of the tax law, as added
13 by chapter 93 of the laws of 1965, paragraphs 2, 3, 4 and 6 as amended
14 by section 2 and paragraph 8 as added by section 3 of part AA of chapter
15 57 of the laws of 2010, and paragraph 5 as amended by chapter 575 of the
16 laws of 1965, is amended to read as follows:

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

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

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

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

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

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

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

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

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

24 (8) Room remarketer. A person who reserves, arranges for, conveys, or
25 furnishes occupancy, whether directly or indirectly, to an occupant for
26 rent in a hotel for an amount determined by the room remarketer, direct-
27 ly or indirectly, whether pursuant to a written or other agreement. Such
28 person's ability or authority to reserve, arrange for, convey, or

1 furnish occupancy, directly or indirectly, and to determine rent there-
2 for, shall be the "rights of a room remarketer". A room remarketer is
3 not a permanent resident with respect to a room for which such person
4 has the rights of a room remarketer.

5 (9) Vacation rental. A building or portion of it that is used for the
6 lodging of guests. The term "vacation rental" includes a house, an
7 apartment, a condominium, a cooperative unit, a cabin, a cottage, or a
8 bungalow, or one or more rooms therein, where sleeping accommodations
9 are provided for the lodging of paying occupants, the typical occupants
10 are transients or travelers, and the relationship between the operator
11 and occupant is not that of a landlord and tenant. It is not necessary
12 that meals are served. A building or portion of a building may qualify
13 as a vacation rental whether or not amenities, including but not limited
14 to daily housekeeping services, concierge services, or linen services,
15 are provided.

16 (10) (i) Vacation rental marketplace provider. A person who, pursuant
17 to an agreement with an operator, facilitates the occupancy of a vaca-
18 tion rental by such operator or operators. A person "facilitates the
19 occupancy of a vacation rental" for purposes of this paragraph when the
20 person meets both of the following conditions: (A) such person provides
21 the forum in which, or by means of which, the sale of the occupancy
22 takes place or the offer of such sale is accepted, including a shop,
23 store, or booth, an internet website, catalog, or similar forum; and (B)
24 such person or an affiliate of such person collects the rent paid by a
25 customer to an operator for the occupancy of a vacation rental, or
26 contracts with a third party to collect such rent.

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

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

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

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

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

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

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

5 (1) "Persons required to collect tax" or "person required to collect
6 any tax imposed by this article" shall include: every vendor of tangible
7 personal property or services; every recipient of amusement charges;
8 every operator of a hotel or vacation rental; every vacation rental
9 marketplace provider with respect to the rent for every occupancy of a
10 vacation rental it facilitates as described in paragraph ten of subdivi-
11 sion (c) of section eleven hundred one of this article; and every
12 marketplace provider with respect to sales of tangible personal property
13 it facilitates as described in paragraph one of subdivision (e) of
14 section eleven hundred one of this article. Said terms shall also
15 include any officer, director or employee of a corporation or of a
16 dissolved corporation, any employee of a partnership, any employee or
17 manager of a limited liability company, or any employee of an individual
18 proprietorship who as such officer, director, employee or manager is
19 under a duty to act for such corporation, partnership, limited liability
20 company or individual proprietorship in complying with any requirement
21 of this article, or has so acted; and any member of a partnership or
22 limited liability company. Provided, however, that any person who is a
23 vendor solely by reason of clause (D) or (E) of subparagraph (i) of
24 paragraph [(8)] eight of subdivision (b) of section eleven hundred one
25 of this article shall not be a "person required to collect any tax
26 imposed by this article" until twenty days after the date by which such
27 person is required to file a certificate of registration pursuant to
28 section eleven hundred thirty-four of this part. Such terms shall not

1 include an operator of a vacation rental who rents out the operator's
2 own property for three days or fewer in a calendar year and does not use
3 a vacation rental marketplace provider to facilitate such rental.

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

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

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

25 (2) An operator is relieved from the duty to collect tax in regard to
26 a particular rent for the occupancy of a vacation rental subject to tax
27 under subdivision (e) of section eleven hundred five of this article and
28 shall not include the rent from such occupancy in its taxable sales for

1 purposes of section eleven hundred thirty-six of this part if, in regard
2 to such occupancy: (A) the operator of the vacation rental can show that
3 such occupancy was facilitated by a vacation rental marketplace provider
4 from whom such operator has received in good faith a properly completed
5 certificate of collection in a form prescribed by the commissioner,
6 certifying that the vacation rental marketplace provider is registered
7 to collect sales tax and will collect sales tax on all taxable sales of
8 occupancy of a vacation rental by the operator facilitated by the vaca-
9 tion rental marketplace provider, and with such other information as the
10 commissioner may prescribe; and (B) any failure of the vacation rental
11 marketplace provider to collect the proper amount of tax in regard to
12 such sale was not the result of such operator providing the vacation
13 rental marketplace provider with incorrect information. This provision
14 shall be administered in a manner consistent with subparagraph (i) of
15 paragraph one of subdivision (c) of this section as if a certificate of
16 collection were a resale or exemption certificate for purposes of such
17 subparagraph, including with regard to the completeness of such certif-
18 icate of collection and the timing of its acceptance by the operator.
19 Provided that, with regard to any sales of occupancy of a vacation
20 rental by an operator that are facilitated by a vacation rental market-
21 place provider who is affiliated with such operator within the meaning
22 of paragraph ten of subdivision (c) of section eleven hundred one of
23 this article, the operator shall be deemed liable as a person under a
24 duty to act for such vacation rental marketplace provider for purposes
25 of subdivision one of section eleven hundred thirty-one of this part.

26 (3) The commissioner may, at his or her discretion: (A) develop a
27 standard provision, or approve a provision developed by a vacation
28 rental marketplace provider, in which the vacation rental marketplace

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

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

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

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

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

1 requirements set forth in paragraph two of subdivision (m) of section
2 eleven hundred thirty-two of this part.

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

6 (4) The return of a vendor of tangible personal property or services
7 shall show such vendor's receipts from sales and the number of gallons
8 of any motor fuel or diesel motor fuel sold and also the aggregate value
9 of tangible personal property and services and number of gallons of such
10 fuels sold by the vendor, the use of which is subject to tax under this
11 article, and the amount of tax payable thereon pursuant to the
12 provisions of section eleven hundred thirty-seven of this part. The
13 return of a recipient of amusement charges shall show all such charges
14 and the amount of tax thereon, and the return of an operator required to
15 collect tax on rents shall show all rents received or charged and the
16 amount of tax thereon. The return of a marketplace seller shall exclude
17 the receipts from a sale of tangible personal property facilitated by a
18 marketplace provider if, in regard to such sale: (A) the marketplace
19 seller has timely received in good faith a properly completed certif-
20 icate of collection from the marketplace provider or the marketplace
21 provider has included a provision approved by the commissioner in the
22 publicly-available agreement between the marketplace provider and the
23 marketplace seller as described in subdivision one of section eleven
24 hundred thirty-two of this part, and (B) the information provided by the
25 marketplace seller to the marketplace provider about such tangible
26 personal property is accurate. The return of an operator shall exclude
27 the rent from occupancy of a vacation rental facilitated by a vacation
28 rental marketplace provider if, in regard to such sale: (A) the vacation

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

9 § 9. Subparagraph (B) of paragraph 3 of subdivision (a) of section
10 1138 of the tax law, as amended by chapter 456 of the laws of 1998, is
11 amended to read as follows:

12 (B) The liability, pursuant to subdivision (a) of section eleven
13 hundred thirty-three of this article, of any officer, director or
14 employee of a corporation or of a dissolved corporation, member or
15 employee of a partnership or employee of an individual proprietorship
16 who as such officer, director, employee or member is under a duty to act
17 for such corporation, partnership or individual proprietorship in
18 complying with any requirement of this article for the tax imposed,
19 collected or required to be collected, or for the tax required to be
20 paid or paid over to the [tax commission] commissioner under this arti-
21 cle, and the amount of such tax liability (whether or not a return is
22 filed under this article, whether or not such return when filed is
23 incorrect or insufficient, or where the tax shown to be due on the
24 return filed under this article has not been paid or has not been paid
25 in full) shall be determined by the [tax commission] commissioner in the
26 manner provided for in paragraphs one and two of this subdivision. Such
27 determination shall be an assessment of the tax and liability for the
28 tax with respect to such person unless such person, within ninety days

1 after the giving of notice of such determination, shall apply to the
2 division of tax appeals for a hearing. If such determination is identi-
3 cal to or arises out of a previously issued determination of tax of the
4 corporation, dissolved corporation, partnership or individual proprie-
5 torship for which such person is under a duty to act, an application
6 filed with the division of tax appeals on behalf of the corporation,
7 dissolved corporation, partnership or individual proprietorship shall be
8 deemed to include any and all subsequently issued personal determi-
9 nations and a separate application to the division of tax appeals for a
10 hearing shall not be required. The [tax commission] commissioner may,
11 nevertheless, of [its] his or her own motion, redetermine such determi-
12 nation of tax or liability for tax. Where the [tax commission] commis-
13 sioner determines or redetermines that the amount of tax claimed to be
14 due from a vendor of tangible personal property or services, a recipient
15 of amusement charges, or an operator of a hotel or vacation rental is
16 erroneous or excessive in whole or in part, [it] he or she shall rede-
17 termine the amount of tax properly due from any such person as a person
18 required to collect tax with respect to such vendor, recipient, or oper-
19 ator, and if such amount is less than the amount of tax for which such
20 person would have been liable in the absence of such determination or
21 redetermination, [it] he or she shall reduce such liability accordingly.
22 Furthermore, the [tax commission] commissioner may, of [its] his or her
23 own motion, abate on behalf of any such person, any part of the tax
24 determined to be erroneous or excessive whether or not such tax had
25 become finally and irrevocably fixed with respect to such person but no
26 claim for abatement may be filed by any such person. The provisions of
27 this paragraph shall not be construed to limit in any manner the powers
28 of the attorney general under subdivision (a) of section eleven hundred

1 forty-one of this part or the powers of the [tax commission] commission-
2 er to issue a warrant under subdivision (b) of such section against any
3 person whose liability has become finally and irrevocably fixed.

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

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

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

21 (i) Any person required to obtain a certificate of authority under
22 section eleven hundred thirty-four of this part who, without possessing
23 a valid certificate of authority, (A) sells tangible personal property
24 or services subject to tax, receives amusement charges or operates a
25 hotel or vacation rental, (B) purchases or sells tangible personal prop-
26 erty for resale, (C) sells petroleum products, or (D) sells cigarettes
27 shall, in addition to any other penalty imposed by this chapter, be
28 subject to a penalty in an amount not exceeding five hundred dollars for

1 the first day on which such sales or purchases are made, plus an amount
2 not exceeding two hundred dollars for each subsequent day on which such
3 sales or purchases are made, not to exceed ten thousand dollars in the
4 aggregate.

5 § 12. Subparagraph (v) of paragraph 4 of subdivision (a) of section
6 1210 of the tax law, as amended by section 2 of part WW of chapter 60 of
7 the laws of 2016, is amended to read as follows:

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

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

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

24 (b) Any person required to obtain a certificate of authority under
25 section eleven hundred thirty-four of this chapter who within five years
26 after a determination by the commissioner, pursuant to such section, to
27 suspend, revoke or refuse to issue a certificate of authority has become
28 final, and without possession of a valid certificate of authority (1)

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

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

13 PART W

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

17 (1) Every employer maintaining an office or transacting business with-
18 in this state and making payment of any wages taxable under this article
19 shall deduct and withhold from such wages for each payroll period a tax
20 computed in such manner as to result, so far as practicable, in with-
21 holding from the employee's wages during each calendar year an amount
22 substantially equivalent to the tax reasonably estimated to be due under
23 this article resulting from the inclusion in the employee's New York
24 adjusted gross income or New York source income of [his] the employee's
25 wages received during such calendar year. The method of determining the
26 amount to be withheld shall be prescribed by [regulations of] the

1 commissioner, with due regard to the New York withholding exemptions of
2 the employee and the sum of any credits allowable against [his] the
3 employee's tax. The commissioner shall publish any changes to such meth-
4 od of determining the amount of tax to be withheld on the website of the
5 department of taxation and finance. The commissioner shall also cause
6 notice of such changes to be published in the section for miscellaneous
7 notices in the state register and shall give other appropriate general
8 notice of such changes.

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

12 (6) Publication of interest rates. The commissioner of taxation and
13 finance shall publish the interest rates set under this subsection on
14 the website of the department of taxation and finance. Immediately
15 following such publication, the commissioner shall cause such interest
16 rates to be published in the section for miscellaneous notices in the
17 state register[,] and give other appropriate general notice of[, the]
18 such interest rates [to be set under this subsection no later than twen-
19 ty days preceding the first day of the calendar quarter during which
20 such interest rates apply]. The setting and publication of such interest
21 rates shall not be included within paragraph (a) of subdivision two of
22 section one hundred two of the state administrative procedure act relat-
23 ing to the definition of a rule.

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

27 (5) Publication of interest rates. The commissioner of taxation and
28 finance shall publish the interest rates set under this subsection on

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

11 § 4. This act shall take effect immediately.

12 PART X

13 Section 1. Paragraph (c) of subdivision 1 of section 1701 of the tax
14 law, as added by section 1 of part CC-1 of chapter 57 of the laws of
15 2008, is amended to read as follows:

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

21 § 2. This act shall take effect immediately.

22 PART Y

23 Section 1. Section 4 of chapter 475 of the laws of 2013, relating to
24 assessment ceilings for local public utility mass real property, as

1 amended by section 1 of part G of chapter 59 of the laws of 2018, is
2 amended to read as follows:

3 § 4. This act shall take effect on the first of January of the second
4 calendar year commencing after this act shall have become a law and
5 shall apply to assessment rolls with taxable status dates on or after
6 such date; provided, however, that this act shall expire and be deemed
7 repealed [eight] twelve years after such effective date; and provided,
8 further, that no assessment of local public utility mass real property
9 appearing on the municipal assessment roll with a taxable status date
10 occurring in the first calendar year after this act shall have become a
11 law shall be less than ninety percent or more than one hundred ten
12 percent of the assessment of the same property on the date this act
13 shall have become a law.

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

17 4. Any final determination of an assessment ceiling by the commission-
18 er pursuant to subdivision one of this section shall be subject to judi-
19 cial challenge by an owner of local public utility mass real property or
20 a local assessing jurisdiction in a proceeding under article seven of
21 this chapter; provided however, the time to commence such proceeding
22 shall be within sixty days of the issuance of the final assessment ceil-
23 ing certificate and all questions of fact and law shall be determined de
24 novo. Any judicial proceeding shall be commenced in the supreme court in
25 the county of Albany or the county agreed upon by the parties in which
26 the local public utility mass real property is located. Nothing in this
27 section shall preclude a challenge of the assessed value established by
28 a local assessing jurisdiction with respect to local public utility mass

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

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

22 PART Z

23 Section 1. This Part enacts into law major components of legislation
24 relating to the administration of the STAR program authorized by section
25 425 of the real property tax law and subsection (eee) of section 606 of
26 the tax law. Each component is wholly contained within a Subpart identi-

1 filed as Subparts A through E. The effective date for each particular
2 provision contained within such Subpart is set forth in the last section
3 of such Subpart. Any provision in any section contained within a
4 Subpart, including the effective date of the Subpart, which makes refer-
5 ence to a section of "this act", when used in connection with that
6 particular component, shall be deemed to mean and refer to the corre-
7 sponding section of the Subpart in which it is found. Section two
8 contains a severability clause for all provisions contained in each
9 Subpart of this Part. Section three of this act sets forth the general
10 effective date of this Part.

11 SUBPART A

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

15 (a-2) Notwithstanding any provision of law to the contrary, where an
16 application for the "enhanced" STAR exemption authorized by subdivision
17 four of this section has not been filed on or before the taxable status
18 date, and the owner believes that good cause existed for the failure to
19 file the application by that date, the owner may, no later than the last
20 day for paying school taxes without incurring interest or penalty,
21 submit a written request to the commissioner asking him or her to extend
22 the filing deadline and grant the exemption. Such request shall contain
23 an explanation of why the deadline was missed, and shall be accompanied
24 by an application, reflecting the facts and circumstances as they
25 existed on the taxable status date. After consulting with the assessor,
26 the commissioner may extend the filing deadline and grant the exemption

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

21 § 2. This act shall take effect immediately.

22 SUBPART B

23 Section 1. Subparagraph (i) of paragraph (c) of subdivision 17 of
24 section 425 of the real property tax law, as added by section 2 of part
25 G of chapter 39 of the laws of 2019, is amended to read as follows:

1 (i) A STAR credit switch may be deferred if the application for the
2 credit is submitted after a cutoff date set by the commissioner. When
3 setting a cutoff date, the commissioner shall take into account the time
4 required to ensure that the STAR exemptions of all STAR credit appli-
5 cants in the assessing unit will be removed before school tax bills are
6 prepared. The commissioner shall specify the applicable cutoff dates
7 after taking into account local assessment calendars, provided that
8 different cutoff dates may be set for municipalities with different
9 assessment calendars, and provided further that any such cutoff date may
10 be no earlier than the [fifteenth] forty-fifth day prior to the date on
11 which the applicable final assessment roll is required by law to be
12 completed and filed.

13 § 2. This act shall take effect immediately.

14 SUBPART C

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

18 (A) Beginning with taxable years after two thousand fifteen, a basic
19 STAR credit shall be available to a qualified taxpayer if the affiliated
20 income of the parcel that serves as the taxpayer's primary residence is
21 less than or equal to five hundred thousand dollars for the applicable
22 income tax year specified by paragraph (b-1) of subdivision three of
23 section four hundred twenty-five of the real property tax law. The
24 income limit established for the basic STAR exemption by paragraph (b-1)
25 of subdivision three of section four hundred twenty-five of the real

1 property tax law shall not be taken into account when determining eligi-
2 bility for the basic STAR credit.

3 § 2. This act shall take effect immediately.

4 SUBPART D

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

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

21 § 2. This act shall take effect immediately.

22 SUBPART E

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

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

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

19 (a) Parties entitled to notice. The enforcing officer shall on or
20 before the date of the first publication of the notice above set forth
21 cause a notice to be mailed to (i) each owner and any other person whose
22 right, title, or interest was a matter of public record as of the date
23 the list of delinquent taxes was filed, which right, title or interest
24 will be affected by the termination of the redemption period, and whose
25 name and address are reasonably ascertainable from the public record,
26 including the records in the offices of the surrogate of the county, or
27 from material submitted to the enforcing officer pursuant to paragraph
28 (d) of this subdivision, (ii) any other person who has filed a declara-

1 tion of interest pursuant to section eleven hundred twenty-six of this
2 title which has not expired, [and] (iii) where a posthumous declaration
3 of interest has been filed pursuant to section eleven hundred twenty-
4 six-a of this title, the person specified thereon as the person to be
5 informed when taxes are owed on the property, and (iv) the enforcing
6 officer of any other tax district having a right to enforce the payment
7 of a tax imposed upon any of the parcels described upon such petition.
8 Nothing contained herein shall be construed as making any such person a
9 party to the proceeding or as making any such person personally liable
10 for the taxes or other legal charges due thereon.

11 § 3. The real property tax law is amended by adding a new section
12 1126-a to read as follows:

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

1 ty tax services within fifteen days of receipt, or as soon thereafter as
2 is practicable.

3 2. If no posthumous declaration of interest has been filed, a delin-
4 quent tax lien may be foreclosed by a proceeding in rem as otherwise
5 provided by this article, notwithstanding the fact that the property
6 owner has died. In such cases, the enforcing officer shall not be
7 obliged to obtain in personam jurisdiction over a personal represen-
8 tative of the decedent's estate; provided, however, that nothing
9 contained herein shall be construed to relieve the enforcing officer of
10 the obligation to cause a notice to be mailed to any persons whose
11 interests in the property are reasonably ascertainable from the records
12 of the surrogate of the county, as provided by subparagraph (i) of para-
13 graph (a) of subdivision one of section eleven hundred twenty-five of
14 this title.

15 § 4. This act shall take effect immediately.

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

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

1 PART AA

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

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

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

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

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

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

26 (e) Actions or proceedings that challenge the validity and accuracy of
27 the appraisal model or discount rates established under this section may

1 not be commenced against assessing units. Such challenges may only be
2 brought by commencing an action against the commissioner in the third
3 department of the appellate division of the supreme court in the manner
4 provided by article seventy-eight of the civil practice law and rules.

5 § 2. This act shall take effect immediately.

6 PART BB

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

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

18 (2) (a) To be eligible for the credit, the taxpayer (or taxpayers
19 filing joint returns) on the personal income tax return filed for the
20 taxable year two years prior, must have (i) been a resident, (ii) owned
21 and primarily resided in real property receiving either the STAR
22 exemption authorized by section four hundred twenty-five of the real
23 property tax law or the school tax relief credit authorized by
24 subsection (eee) of this section, and (iii) had qualified gross income
25 no greater than two hundred [seventy-five] fifty thousand dollars.

1 [Provided, however, that no credit shall be allowed if any of the
2 following apply:

3 (i) Such property is located in an independent school district that is
4 subject to the provisions of section two thousand twenty-three-a of the
5 education law and that has adopted a budget in excess of the tax levy
6 limit prescribed by that section. To render its taxpayers eligible for
7 the credit authorized by this subsection, the school district must
8 certify its compliance with such tax levy limit in the manner prescribed
9 by subdivision two of section two thousand twenty-three-b of the educa-
10 tion law.

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

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

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

25 (b) For the two thousand seventeen, two thousand eighteen and two
26 thousand nineteen taxable years (i)] For a taxpayer who owned and prima-
27 rily resided in real property receiving the basic STAR exemption or who
28 received the basic STAR credit, the amount of the credit shall equal the

1 STAR tax savings associated with such basic STAR exemption in the two
 2 thousand twenty-one--two thousand twenty-two school year, multiplied by
 3 the following percentage:

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

5 Qualified Gross Income	Percentage
6 Not over \$75,000	28%
7 Over \$75,000 but not over \$150,000	20.5%
8 Over \$150,000 but not over \$200,000	13%
9 Over \$200,000 but not over \$275,000	5.5%
10 Over \$275,000	No credit

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

12 Qualified Gross Income	Percentage
13 Not over \$75,000	60%
14 Over \$75,000 but not over \$150,000	42.5%
15 Over \$150,000 but not over \$200,000	25%
16 Over \$200,000 but not over \$275,000	7.5%
17 Over \$275,000	No credit

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

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

21 Qualified Gross Income	Percentage
22 Not over \$75,000	[85%] <u>163%</u>
23 Over \$75,000 but not over \$150,000	[60%] <u>115%</u>
24 Over \$150,000 but not over \$200,000	[35%] <u>66%</u>
25 Over \$200,000 but not over	[10%] <u>18%</u>
26 <u>[\$275,000] \$250,000</u>	
27 Over <u>[\$275,000] \$250,000</u>	No credit

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

3 <u>Qualified Gross Income</u>	<u>Percentage</u>
4 <u>Not over \$75,000</u>	<u>125%</u>
5 <u>Over \$75,000 but not over \$150,000</u>	<u>115%</u>
6 <u>Over \$150,000 but not over \$200,000</u>	<u>105%</u>
7 <u>Over \$200,000 but not over \$250,000</u>	<u>100%</u>
8 <u>Over \$250,000</u>	<u>No credit</u>

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

15 Taxable Year	Percentage
16 two thousand seventeen	12%
17 two thousand eighteen	26%
18 two thousand nineteen	34%]

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

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

27 (4) For purposes of this subsection:

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

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

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

19 § 2. This act shall take effect immediately.

20 PART CC

21 Section 1. The opening paragraph and subdivisions 1 and 2 of section
22 1306 of the racing, pari-mutuel wagering and breeding law, the opening
23 paragraph as amended by chapter 243 of the laws of 2020 and subdivisions
24 1 and 2 as added by chapter 174 of the laws of 2013, are amended to read
25 as follows:

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

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

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

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

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

24 § 3. The title heading of title 2 of article 13 of the racing, pari-
25 mutuel wagering and breeding law, as added by chapter 174 of the laws of
26 2013, is amended to read as follows:

27 FACILITY DETERMINATION AND LICENSING: UPSTATE GAMING FACILITIES

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

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

7 1. The commission is authorized to award up to four gaming facility
8 licenses, in regions one, two and five of zone two. The duration of such
9 initial license shall be ten years. The term of renewal shall be deter-
10 mined by the commission. The commission may award a second license to a
11 qualified applicant in no more than a single region. The commission is
12 not empowered to award any license [in zone one. No gaming facilities
13 are authorized] nor are any gaming facilities authorized under this
14 [article] title for the city of New York or any other portion of zone
15 one.

16 As a condition of licensure, licensees are required to commence gaming
17 operations no more than twenty-four months following license award. No
18 additional licenses may be awarded during the twenty-four month period,
19 nor for an additional sixty months following the end of the twenty-four
20 month period. Should the state legislatively authorize additional gaming
21 facility licenses within these periods, licensees shall have the right
22 to recover the license fee paid pursuant to section one thousand three
23 hundred six of this article.

24 This right shall be incorporated into the license itself, vest upon
25 the opening of a gaming facility in zone one or in the same region as
26 the licensee and entitle the holder of such license to bring an action
27 in the court of claims to recover the license fee paid pursuant to
28 section one thousand three hundred fifteen of this [article] title in

1 the event that any gaming facility license in excess of the number
2 authorized by this section as of the effective date of this section is
3 awarded within seven years from the date that the initial gaming facili-
4 ty license is awarded. This right to recover any such fee shall be
5 proportionate to the length of the respective period that is still
6 remaining upon the vesting of such right.

7 Additionally, the right to bring an action in the court of claims to
8 recover the fee paid to the state on the twenty-fourth day of September,
9 two thousand ten, by the operator of a video lottery gaming facility in
10 a city of more than one million shall vest with such operator upon the
11 opening of any gaming facility licensed by the commission in zone one
12 within seven years from the date that the initial gaming facility
13 license is awarded; provided however that the amount recoverable shall
14 be limited to the pro rata amount of the time remaining until the end of
15 the seven year exclusivity period, proportionate to the period of time
16 between the date of opening of the video lottery facility until the
17 conclusion of the seven year period.

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

21 The board shall issue within ninety days of a majority of members
22 being appointed a request for applications for a gaming facility license
23 in regions one, two and five in zone two; provided, however, that the
24 board shall not issue any requests for applications for any region in
25 zone one under this title; and further provided that the board shall not
26 issue any requests for applications with respect to any gaming facility
27 subsequently legislatively authorized until seven years following the
28 commencement of gaming activities in zone two, unless such request for

1 application with respect to any subsequently legislatively authorized
2 gaming facility adheres to the procedure as described in section one
3 thousand three hundred eleven of this title. All requests for applica-
4 tions shall include:

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

7 TITLE 2-A

8 FACILITY DETERMINATION AND LICENSING: ADDITIONAL GAMING FACILITIES

9 Section 1321-a. License authorization; restrictions.

10 1321-b. Requests for applications; requests for information.

11 1321-c. Form of application.

12 1321-d. License applicant eligibility.

13 1321-e. Required capital investment.

14 1321-f. Minimum license thresholds.

15 1321-g. Investigation of license applicants.

16 1321-h. Disqualifying criteria.

17 1321-i. Hearings.

18 1321-j. Siting evaluation.

19 § 1321-a. License authorization; restrictions. 1. The commission is
20 authorized to award up to three additional gaming facility licenses. The
21 duration of such initial license and the term of renewal shall be deter-
22 mined by the commission.

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

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

27 (b) within the following area: (1) to the east, State Route 14 from
28 Sodus Point to the Pennsylvania border with New York; (2) to the north,

1 the border between New York and Canada; (3) to the south, the Pennsylva-
2 nia border with New York; and (4) to the west, the border between New
3 York and Canada and the border between Pennsylvania and New York; and
4 (c) in the counties of Cayuga, Chenango, Cortland, Herkimer, Lewis,
5 Madison, Oneida, Onondaga, Oswego and Otsego.

6 § 1321-b. Requests for applications; requests for information.
7 Requests for applications shall be handled in the same manner as
8 provided for in section thirteen hundred twelve of this article for
9 gaming licenses authorized but not awarded, provided however that any
10 requests for applications for gaming facility licenses authorized but
11 not awarded may be for gaming facility licenses in any region in zone
12 one or in regions one, two and five in zone two.

13 § 1321-c. Form of application. The form of the application shall be
14 the same as established under section thirteen hundred thirteen of this
15 article.

16 § 1321-d. License applicant eligibility. 1. Gaming facility licenses
17 shall only be issued to applicants who are qualified under the criteria
18 set forth in this article, as determined by the commission.

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

20 (a) demonstrate to the board's satisfaction that the applicant has
21 consulted with local governments and considered input from the communi-
22 ty; and

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

26 3. The expiration of the seven year restricted period from the date
27 that an initial gaming facility license was awarded is February twenty-
28 eighth, two thousand twenty-three for the three initial casino licenses

1 and November twenty-second, two thousand twenty-three for the final
2 casino license awarded. Should an applicant or applicants commence
3 gaming activities prior to such dates, such applicant or applicants
4 shall be jointly and severally liable for payment of the proportionate
5 fee for the respective period remaining as required by section one thou-
6 sand three hundred eleven of this article.

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

1 investment shall be forfeited to the state if the applicant is unable to
2 complete the gaming facility.

3 2. Each applicant shall submit its proposed capital investment with
4 its application to the board which shall include stages of construction
5 of the gaming facility and the deadline by which the stages and overall
6 construction and any infrastructure improvements will be completed. In
7 awarding a license, the commission shall determine at what stage of
8 construction a licensee shall be approved to open for gaming; provided,
9 however, that a licensee shall not be approved to open for gaming until
10 the commission has determined that at least the gaming area and other
11 ancillary entertainment services and non-gaming amenities, as required
12 by the board, have been built and are of a superior quality as set forth
13 in the conditions of licensure. The commission shall not approve a
14 gaming facility to open before the completion of the permanent casino
15 area.

16 3. The board shall determine a licensing fee to be paid by a licensee
17 within thirty days after the award of the license which shall be depos-
18 ited into the commercial gaming revenue fund. The license shall set
19 forth the conditions to be satisfied by the licensee before the gaming
20 facility shall be opened to the public. The commission shall set any
21 renewal fee for such license based on the cost of fees associated with
22 the evaluation of a licensee under this article which shall be deposited
23 into the commercial gaming fund. Such renewal fee shall be exclusive of
24 any subsequent licensing fees under this section.

25 4. The commission shall determine the sources and total amount of an
26 applicant's proposed capitalization to develop, construct, maintain and
27 operate a proposed gaming facility under this article. Upon award of a
28 gaming license, the commission shall continue to assess the capitaliza-

1 tion of a licensee for the duration of construction of the proposed
2 gaming facility and the term of the license.

3 § 1321-f. Minimum license thresholds. The minimum licensing thresh-
4 olds shall be the same as those established under section thirteen
5 hundred sixteen of this article.

6 § 1321-g. Investigation of license applicants. The process used to
7 investigate license applicants shall be the same process established
8 under section thirteen hundred seventeen of this article.

9 § 1321-h. Disqualifying criteria. The criteria to disqualify appli-
10 cants shall be the same criteria used for upstate gaming facility
11 licensing, which are enumerated in section thirteen hundred eighteen of
12 this article.

13 § 1321-i. Hearings. The process used for hearings shall be the same
14 process established under section thirteen hundred nineteen of this
15 article.

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

25 (a) realizing maximum capital investment exclusive of land acquisition
26 and infrastructure improvements;

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

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

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

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

7 (f) providing a market analysis detailing the benefits of the site
8 location of the gaming facility and the estimated recapture rate of
9 gaming-related spending by residents travelling to an out-of-state
10 gaming facility;

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

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

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

16 (j) mitigating potential impacts on host and nearby municipalities
17 which might result from the development or operation of the gaming
18 facility;

19 (k) carefully considering local views and consulting with appropriate
20 local governments;

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

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

1 (n) implementing a workforce development plan that utilizes the exist-
2 ing labor force, including the estimated number of construction jobs a
3 proposed gaming facility will generate, the development of workforce
4 training programs that serve the unemployed and methods for accessing
5 employment at the gaming facility;

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

9 (p) utilizing sustainable development principles including, but not
10 limited to:

11 (1) having new and renovation construction certified under the appro-
12 priate certification category in the Leadership in Energy and Environ-
13 mental Design Green Building Rating System created by the United States
14 Green Building Council;

15 (2) efforts to mitigate vehicle trips;

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

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

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

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

24 (q) establishing, funding and maintaining human resource hiring and
25 training practices that promote the development of a skilled and diverse
26 workforce and access to promotion opportunities through a workforce
27 training program that:

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

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

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

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

12 (s) implementing a workforce development plan that:

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

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

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

22 (4) identifies workforce training programs offered by the gaming
23 facility; and

24 (5) identifies the methods for accessing employment at the gaming
25 facility; and

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

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

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

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

10 1-a. For a gaming facility licensed pursuant to title two-A of this
11 article, there is hereby imposed a tax on gross gaming revenues with the
12 rates to be determined by the gaming commission pursuant to a compet-
13 itive bidding process as outlined in title two-A of this article.

14 § 9. This act shall take effect immediately.

15 PART DD

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

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

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

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

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

11 2. a. Notwithstanding any other provision of law or regulation to the
12 contrary, from April nineteenth, two thousand twenty-one to March thir-
13 ty-first, two thousand twenty-two, twenty-three percent of the funds,
14 not to exceed two and one-half million dollars, in the Catskill off-
15 track betting corporation's capital acquisition fund and twenty-three
16 percent of the funds, not to exceed four hundred forty thousand dollars,
17 in the Capital off-track betting corporation's capital acquisition fund
18 established pursuant to this section shall also be available to such
19 off-track betting corporation for the purposes of statutory obligations,
20 payroll, and expenditures necessary to accept authorized wagers.

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

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

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

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

18 § 3. This act shall take effect immediately.

19 PART EE

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

24 (a) Any racing association or corporation or regional off-track
25 betting corporation, authorized to conduct pari-mutuel wagering under
26 this chapter, desiring to display the simulcast of horse races on which

1 pari-mutuel betting shall be permitted in the manner and subject to the
2 conditions provided for in this article may apply to the commission for
3 a license so to do. Applications for licenses shall be in such form as
4 may be prescribed by the commission and shall contain such information
5 or other material or evidence as the commission may require. No license
6 shall be issued by the commission authorizing the simulcast transmission
7 of thoroughbred races from a track located in Suffolk county. The fee
8 for such licenses shall be five hundred dollars per simulcast facility
9 and for account wagering licensees that do not operate either a simul-
10 cast facility that is open to the public within the state of New York or
11 a licensed racetrack within the state, twenty thousand dollars per year
12 payable by the licensee to the commission for deposit into the general
13 fund. Except as provided in this section, the commission shall not
14 approve any application to conduct simulcasting into individual or group
15 residences, homes or other areas for the purposes of or in connection
16 with pari-mutuel wagering. The commission may approve simulcasting into
17 residences, homes or other areas to be conducted jointly by one or more
18 regional off-track betting corporations and one or more of the follow-
19 ing: a franchised corporation, thoroughbred racing corporation or a
20 harness racing corporation or association; provided (i) the simulcasting
21 consists only of those races on which pari-mutuel betting is authorized
22 by this chapter at one or more simulcast facilities for each of the
23 contracting off-track betting corporations which shall include wagers
24 made in accordance with section one thousand fifteen, one thousand
25 sixteen and one thousand seventeen of this article; provided further
26 that the contract provisions or other simulcast arrangements for such
27 simulcast facility shall be no less favorable than those in effect on
28 January first, two thousand five; (ii) that each off-track betting

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

24 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section
25 1007 of the racing, pari-mutuel wagering and breeding law, as amended by
26 section 2 of part DD of chapter 59 of the laws of 2021, is amended to
27 read as follows:

1 (iii) Of the sums retained by a receiving track located in Westchester
2 county on races received from a franchised corporation, for the period
3 commencing January first, two thousand eight and continuing through June
4 thirtieth, two thousand [twenty-two] twenty-three, the amount used
5 exclusively for purses to be awarded at races conducted by such receiv-
6 ing track shall be computed as follows: of the sums so retained, two and
7 one-half percent of the total pools. Such amount shall be increased or
8 decreased in the amount of fifty percent of the difference in total
9 commissions determined by comparing the total commissions available
10 after July twenty-first, nineteen hundred ninety-five to the total
11 commissions that would have been available to such track prior to July
12 twenty-first, nineteen hundred ninety-five.

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

17 The provisions of this section shall govern the simulcasting of races
18 conducted at thoroughbred tracks located in another state or country on
19 any day during which a franchised corporation is conducting a race meet-
20 ing in Saratoga county at Saratoga thoroughbred racetrack until June
21 thirtieth, two thousand [twenty-two] twenty-three and on any day regard-
22 less of whether or not a franchised corporation is conducting a race
23 meeting in Saratoga county at Saratoga thoroughbred racetrack after June
24 thirtieth, two thousand [twenty-two] twenty-three. On any day on which a
25 franchised corporation has not scheduled a racing program but a
26 thoroughbred racing corporation located within the state is conducting
27 racing, each off-track betting corporation branch office and each simul-
28 casting facility licensed in accordance with section one thousand seven

1 (that has entered into a written agreement with such facility's repre-
2 sentative horsemen's organization, as approved by the commission), one
3 thousand eight, or one thousand nine of this article shall be authorized
4 to accept wagers and display the live simulcast signal from thoroughbred
5 tracks located in another state or foreign country subject to the
6 following provisions:

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

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

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

19 The provisions of this section shall govern the simulcasting of races
20 conducted at thoroughbred tracks located in another state or country on
21 any day during which a franchised corporation is not conducting a race
22 meeting in Saratoga county at Saratoga thoroughbred racetrack until June
23 thirtieth, two thousand [twenty-two] twenty-three. Every off-track
24 betting corporation branch office and every simulcasting facility
25 licensed in accordance with section one thousand seven that have entered
26 into a written agreement with such facility's representative horsemen's
27 organization as approved by the commission, one thousand eight or one
28 thousand nine of this article shall be authorized to accept wagers and

1 display the live full-card simulcast signal of thoroughbred tracks
2 (which may include quarter horse or mixed meetings provided that all
3 such wagering on such races shall be construed to be thoroughbred races)
4 located in another state or foreign country, subject to the following
5 provisions; provided, however, no such written agreement shall be
6 required of a franchised corporation licensed in accordance with section
7 one thousand seven of this article:

8 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel
9 wagering and breeding law, as amended by section 6 of part DD of chapter
10 59 of the laws of 2021, is amended to read as follows:

11 Notwithstanding any other provision of this chapter, for the period
12 July twenty-fifth, two thousand one through September eighth, two thou-
13 sand [twenty-one] twenty-two, when a franchised corporation is conduct-
14 ing a race meeting within the state at Saratoga Race Course, every off-
15 track betting corporation branch office and every simulcasting facility
16 licensed in accordance with section one thousand seven (that has entered
17 into a written agreement with such facility's representative horsemen's
18 organization as approved by the commission), one thousand eight or one
19 thousand nine of this article shall be authorized to accept wagers and
20 display the live simulcast signal from thoroughbred tracks located in
21 another state, provided that such facility shall accept wagers on races
22 run at all in-state thoroughbred tracks which are conducting racing
23 programs subject to the following provisions; provided, however, no such
24 written agreement shall be required of a franchised corporation licensed
25 in accordance with section one thousand seven of this article.

26 § 7. Section 32 of chapter 281 of the laws of 1994, amending the
27 racing, pari-mutuel wagering and breeding law and other laws relating to

1 simulcasting, as amended by section 7 of part DD of chapter 59 of the
2 laws of 2021, is amended to read as follows:

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

14 § 8. Section 54 of chapter 346 of the laws of 1990, amending the
15 racing, pari-mutuel wagering and breeding law and other laws relating to
16 simulcasting and the imposition of certain taxes, as amended by section
17 8 of part DD of chapter 59 of the laws of 2021, is amended to read as
18 follows:

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

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

4 (a) The franchised corporation authorized under this chapter to
5 conduct pari-mutuel betting at a race meeting or races run thereat shall
6 distribute all sums deposited in any pari-mutuel pool to the holders of
7 winning tickets therein, provided such tickets are presented for payment
8 before April first of the year following the year of their purchase,
9 less an amount that shall be established and retained by such franchised
10 corporation of between twelve to seventeen percent of the total deposits
11 in pools resulting from on-track regular bets, and fourteen to twenty-
12 one percent of the total deposits in pools resulting from on-track
13 multiple bets and fifteen to twenty-five percent of the total deposits
14 in pools resulting from on-track exotic bets and fifteen to thirty-six
15 percent of the total deposits in pools resulting from on-track super
16 exotic bets, plus the breaks. The retention rate to be established is
17 subject to the prior approval of the commission.

18 Such rate may not be changed more than once per calendar quarter to be
19 effective on the first day of the calendar quarter. "Exotic bets" and
20 "multiple bets" shall have the meanings set forth in section five
21 hundred nineteen of this chapter. "Super exotic bets" shall have the
22 meaning set forth in section three hundred one of this chapter. For
23 purposes of this section, a "pick six bet" shall mean a single bet or
24 wager on the outcomes of six races. The breaks are hereby defined as the
25 odd cents over any multiple of five for payoffs greater than one dollar
26 five cents but less than five dollars, over any multiple of ten for
27 payoffs greater than five dollars but less than twenty-five dollars,
28 over any multiple of twenty-five for payoffs greater than twenty-five

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

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

22 § 10. This act shall take effect immediately.

23 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
24 sion, section or part of this act shall be adjudged by any court of
25 competent jurisdiction to be invalid, such judgment shall not affect,
26 impair, or invalidate the remainder thereof, but shall be confined in
27 its operation to the clause, sentence, paragraph, subdivision, section
28 or part thereof directly involved in the controversy in which such judg-

1 ment shall have been rendered. It is hereby declared to be the intent of
2 the legislature that this act would have been enacted even if such
3 invalid provisions had not been included herein.

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