

PART CCC

1 AN ACT to amend the tax law, in relation  
2 to expanding the alternative fuels  
3 credit under article 9-a

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

6 Section 1. Paragraphs (a), (b), (c), (f) and (h) of  
7 subdivision 24 of section 210 of the tax law, as added by chapter  
8 389 of the laws of 1997, are amended to read as follows:

9 (a) General. (i) A taxpayer shall be allowed a credit, to be  
10 computed as hereinafter provided, against the tax imposed by this  
11 article, for electric vehicles, clean-fuel vehicle property and  
12 clean-fuel vehicle refueling property placed in service during  
13 the taxable year. Provided, however, that the credit provided for  
14 by this subdivision with respect to electric vehicles shall not  
15 be allowed to a gas corporation or an electric corporation as  
16 defined in subdivisions eleven and thirteen, respectively, of  
17 section two of the public service law, or a gas and electric  
18 corporation as described in section sixty-four of the public  
19 service law, where such corporation is subject to the supervision  
20 of the department of public service.

21 (ii) For purposes of this subdivision, the term  
22 "governmental unit" means the United States, any state or  
23 political subdivision thereof, any possession of the United  
24 States, or any agency or instrumentality of any of the foregoing.

1 For taxable years beginning in two thousand and two thousand one,  
2 in the case of electric vehicles, or clean-fuel vehicle property  
3 which is installed in or manufactured as part of a motor vehicle,  
4 where such vehicles are sold or first leased during the taxable  
5 year to a governmental unit, a credit shall be allowed, to be  
6 computed as hereinafter provided, against the tax imposed by this  
7 article, provided that (A) the taxpayer executes a written  
8 contract with such governmental unit on or before December  
9 thirty-first, nineteen hundred ninety-nine for such sale or lease  
10 of such vehicles, and (B) as a result of the production,  
11 manufacture or installation activities relating to such vehicles,  
12 at least twenty-five new full-time jobs, excluding those of  
13 general executive officers, are created in this state. The total  
14 amount of credit for both electric vehicles and clean-fuel  
15 vehicle property allowable to a taxpayer under this subparagraph  
16 for all years, taken in the aggregate, shall not exceed two  
17 million five hundred thousand dollars.

18 (b) Electric vehicles. The credit under this subdivision for  
19 electric vehicles shall equal fifty percent of the incremental  
20 cost of any such vehicle and the credit under this subdivision  
21 for electric vehicles sold or leased to a governmental unit shall  
22 equal fifty percent of the incremental cost of producing any such  
23 vehicle

24 (i) which is registered in this state or, in the case of

1 electric vehicles sold or leased to a governmental unit, which  
2 are manufactured in this state, and

3 (ii) for which a credit is allowed under section thirty of  
4 the internal revenue code (determined without regard to the  
5 limitations prescribed in subsection (b) or the elections  
6 prescribed in subsection (d) of such section, including the  
7 election with respect to section one hundred seventy-nine of such  
8 code or, in the case of electric vehicles sold or leased to a  
9 governmental unit, without regard to paragraph three of  
10 subsection (d) of such section insofar as it relates to property  
11 used by governmental units),

12 (iii) provided, however, the credit with respect to any such  
13 vehicle shall not exceed five thousand dollars.

14 (c) Clean-fuel vehicle property. The credit under this  
15 subdivision for clean-fuel vehicle property shall equal sixty  
16 percent of the cost of any such property

17 (i) for which a deduction is allowed under section one  
18 hundred seventy-nine-A of the internal revenue code (determined  
19 without regard to the limitations prescribed in paragraph one of  
20 subsection (b) of such section or the election referred to in  
21 subsection (e) of such section with respect to section one  
22 hundred seventy-nine of such code or, in the case of clean-fuel  
23 vehicle property which is installed in or manufactured as part of  
24 a motor vehicle sold or leased to a governmental unit, without

1 regard to paragraph five of subsection (e) of such section  
2 insofar as it relates to property used by governmental units),  
3 and

4 (ii) which is installed in or manufactured as part of a  
5 motor vehicle which is registered in this state or, in the case  
6 of clean-fuel vehicle property which is installed in or  
7 manufactured as part of a motor vehicle sold or leased to a  
8 governmental unit, the installation or manufacture of which takes  
9 place in this state,

10 (iii) provided, however, the credit with respect to any such  
11 vehicle shall not exceed five thousand dollars per vehicle for  
12 vehicles with a gross vehicle weight rating of fourteen thousand  
13 pounds or less and ten thousand dollars per vehicle for all other  
14 vehicles.

15 (f) Carryovers. In no event shall the credit under this  
16 subdivision be allowed in an amount which will reduce the tax  
17 payable to less than the higher of the amounts prescribed in  
18 paragraphs (c) and (d) of subsection one of this section.

19 Provided, however, that if the amount of credit allowable under  
20 this subdivision for any taxable year reduces the tax to such  
21 amount, any amount of credit not deductible in such taxable year  
22 may be carried over to the following year or years and may be  
23 deducted from the taxpayer's tax for such year or years. In lieu  
24 of carrying over any such excess, a taxpayer who qualifies for

1 the credit under subparagraph (ii) of paragraph (a) of this  
2 subdivision may elect to treat the amount of such carryover as an  
3 overpayment of tax to be credited or refunded in accordance with  
4 the provisions of section ten hundred eighty-six of this chapter,  
5 provided, however, the provisions of subsection (c) of section  
6 ten hundred eighty-eight of this chapter notwithstanding, no  
7 interest shall be paid thereon.

8 (h) Termination. [This] Subparagraph (i) of paragraph (a) of  
9 this subdivision shall not apply to property placed in service in  
10 taxable years beginning after December thirty-first, two thousand  
11 two[.] and subparagraph (ii) of paragraph (a) of this  
12 subdivision, shall not apply to property sold or first leased in  
13 taxable years beginning after December thirty-first, two thousand  
14 one.

15 §2. This act shall take effect immediately and shall apply  
16 to taxable years beginning on or after January 1, 2000.