

STATE OF NEW YORK

S. 6409--C

A. 9009--C

SENATE - ASSEMBLY

January 14, 2016

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property tax law and the tax law, in relation to transitioning the school tax relief (STAR) exemption into a personal income tax credit (Part A); intentionally omitted (Part B); intentionally omitted (Part C); to amend the real property tax law, in relation to allowing applications for exemptions to be filed after the taxable status date in certain cases (Part D); to amend the tax law and the administrative code of the city of New York, in relation to establishing a new school tax reduction credit for residents of a city with a population over one million (Part E); to amend the real property tax law, in relation to authorizing the commissioner of taxation and finance to make direct payments of STAR tax savings to property owners in certain cases (Part F); to amend chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness thereof (Part G); 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 H); to amend the tax law, in relation to extending the hire a veteran credit for an additional two years (Part I); to amend the tax law, in relation to extending the empire state commercial production tax credit (Part J);

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

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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 extending the expiration of such provision; and to amend the tax law, in relation to the application of a credit for companies who provide transportation to individuals with disabilities (Part K); to amend part I of chapter 58 of the laws of 2006, amending the tax law relating to providing an enhanced earned income tax credit, in relation to making the enhanced earned income tax credit permanent (Part L); to amend part N of chapter 61 of the laws of 2005 amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, in relation to extending the expiration thereof (Part M); to amend the tax law, in relation to extending the clean heating fuel credit for three years and updating the credit to reflect new minimum biodiesel fuel thresholds (Part N); to amend the economic development law and the tax law, in relation to extending the excelsior jobs program for five years (Part O); to amend the tax law and the administrative code of the city of New York, in relation to making corrections to the corporate tax reform provisions (Part P); to amend the tax law and the administrative code of the city of New York, in relation to the time for filing reports (Part Q); intentionally omitted (Part R); intentionally omitted (Part S); intentionally omitted (Part T); to amend chapter 109 of the laws of 2006 amending the tax law and other laws relating to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels, in relation to extending the alternative fuels tax exemptions for five years (Part U); to amend the tax law, in relation to exempting from alcoholic beverage tax certain alcoholic beverages furnished at no charge by certain licensees to customers or prospective customers at a tasting held in accordance with the alcoholic beverage control law, and to expand the beer production credit to include wine, liquor and cider (Part V); intentionally omitted (Part W); to amend the tax law and the administrative code of the city of New York, in relation to allowing room remarketers to purchase occupancies from hotel operators exempt from sales tax under certain circumstances (Part X); to amend the tax law, in relation to charitable contributions and charitable activities being considered in determining domicile for estate tax purposes (Part Y); to amend the state finance law, in relation to creating the aviation purpose account and ensuring that the funds deposited in the aviation purpose account are used for airport improvement projects; to amend the tax law, in relation to providing for the distribution of revenues under section 301-e of such law; to exempt sales of fuel sold for use in commercial aircraft and general aviation aircraft from the prepayment of sales tax imposed pursuant to the authority of section 1102 of such law; and to exclude sales of fuel sold for use in commercial aircraft and general aviation aircraft from the operation of sales and use taxes imposed pursuant to the authority of section 1210 of such law (Part Z); intentionally omitted (Part AA); to amend the racing, pari-mutuel wagering and breeding law, in relation to increasing racing regulatory fee (Part BB); to amend the racing, pari-mutuel wagering and breeding law, in relation to the timing of harness track reimbursements and other technical amendments (Part CC); to amend the tax law, in relation to the payment of vendors' fees (Part DD); to amend the tax law, in relation to vendor fees at vendor tracks (Part EE); 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, in relation to the effectiveness thereof; 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 provision thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part FF); to amend the tax law, in relation to capital awards to vendor tracks (Part GG); to amend the state finance law, in relation to allocations from the commercial gaming revenue fund; to amend the tax law, in relation to commissions payable to certain vendor racetracks (Part HH); to amend the tax law, in relation to further clarifying disclosure procedures regarding medical marihuana (Part II); to amend the real property tax law, in relation to STAR recoupment program (Part JJ); to amend the tax law and the state finance law, in relation to the fees associated with a certificate of registration and decal imposed by article 21 of the tax law for certain vehicles operating on public highways in New York state (Part KK); to amend the tax law, in relation to making corrections to the corporate tax reform provisions (Part LL); to amend the tax law, in relation to the real property tax credit for manufacturers (Part MM); to amend the tax law and the administrative code of the city of new York, in relation to the value of leased real property (Part NN); to amend the racing, pari-mutuel wagering and breeding law, in relation to health insurance for jockeys (Part OO); to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York Jockey Injury Compensation Fund, Inc. (Part PP); to amend the economic development law and the tax law, in relation to the economic transformation and facility redevelopment program tax credit (Part QQ); to amend the tax law, in relation to creating a farm workforce retention credit (Part RR); to amend the tax law and the racing, pari-mutuel wagering and breeding law, in relation to authorization to operate video lottery terminals and capital awards at certain facilities (Part SS); to amend the tax law, in relation to providing a middle income tax cut under the personal income tax; to repeal subparagraph (B) of paragraph 1 of subsection (a), subparagraph (B) of paragraph 1 of subsection (b) and subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law relating to the imposition of tax; and to repeal subsection (d-2) of section 601 of the tax law relating to tax table benefit recapture for tax years after two thousand seventeen (Part TT); to amend the tax law, in relation to requiring wholesalers of motor fuel to register and file returns (Part UU); to amend the labor law, in relation to enhancing the urban youth jobs program tax credit by increasing the sum of money allocated to programs four and five (Part VV); and to amend the tax law, in relation to exempting commercial fuel cell electricity generating systems and electricity provided by such sources from the sales tax imposed by article 28 of the tax law and omitting such exemption from the taxes imposed pursuant to the authority of article 29 of the tax law, unless a locality elects otherwise (Part WW)



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

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2016-2017
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through WW. The effective date for each particular
5 provision contained within such Part is set forth in the last section of
6 such Part. Any provision in any section contained within a Part, includ-
7 ing the effective date of the Part, which makes a reference to a section
8 "of this act", when used in connection with that particular component,
9 shall be deemed to mean and refer to the corresponding section of the
10 Part in which it is found. Section three of this act sets forth the
11 general effective date of this act.

12

PART A

13 Section 1. Paragraph (a) of subdivision 6 of section 425 of the real
14 property tax law, as amended by chapter 6 of the laws of 2010, and as
15 further amended by subdivision (b) of section 1 of part W of chapter 56
16 of the laws of 2010, is amended to read as follows:

17 (a) Generally. All owners of the property who primarily reside thereon
18 and who are not subject to the provisions of subdivision sixteen of this
19 section must jointly file an application for exemption with the assessor
20 on or before the appropriate taxable status date. Such application may
21 be filed by mail if it is enclosed in a postpaid envelope properly
22 addressed to the appropriate assessor, deposited in a post office or
23 official depository under the exclusive care of the United States postal
24 service, and postmarked by the United States postal service on or before
25 the applicable taxable status date. Each such application shall be made
26 on a form prescribed by the commissioner, which shall require the appli-
27 cant or applicants to agree to notify the assessor if their primary
28 residence changes while their property is receiving the exemption. The
29 assessor may request that proof of residency be submitted with the
30 application. If the applicant requests a receipt from the assessor as
31 proof of submission of the application, the assessor shall provide such
32 receipt. If such request is made by other than personal request, the
33 applicant shall provide the assessor with a self-addressed postpaid
34 envelope in which to mail the receipt.

35 § 2. Section 425 of the real property tax law is amended by adding a
36 new subdivision 16 to read as follows:

37 16. Transition to personal income tax credit. (a) Beginning with
38 assessment rolls used to levy school district taxes for the two thousand
39 sixteen--two thousand seventeen school year, no application for an
40 exemption under this section may be filed or approved unless at least
41 one of the applicants held title to the property on the taxable status
42 date of the assessment roll that was used to levy school district taxes
43 for the two thousand fifteen--two thousand sixteen school year and the
44 property was granted an exemption pursuant to this section on that
45 assessment roll. In the event that an application is submitted to the
46 assessor that cannot be approved due to this restriction, the assessor
47 shall notify the applicant that he or she is required by law to deny the
48 application, but that, in lieu of a STAR exemption, the applicant may
49 claim the personal income tax credit authorized by subsection (eee) of
50 section six hundred six of the tax law if eligible, and that the appli-
51 cant may contact the department of taxation and finance for further



1 information. The commissioner shall provide a form for assessors to
2 use, at their option, when making this notification. No STAR exemption
3 may be granted on the basis of an application that is not approvable due
4 to this restriction.

5 (b) If the owners of a parcel that is receiving the STAR exemption
6 authorized by this section want to claim the personal income tax credit
7 authorized by subsection (eee) of section six hundred six of the tax law
8 in lieu of such exemption, they all must renounce that exemption in the
9 manner provided by section four hundred ninety-six of this chapter, and
10 must pay any required taxes, interest and penalties, on or before Decem-
11 ber thirty-first of the taxable year for which they want to claim the
12 credit. Any such renunciation shall be irrevocable.

13 (c) The provisions of this subdivision shall apply to all applications
14 for STAR exemptions beginning with assessment rolls used to levy school
15 district taxes for the two thousand sixteen--two thousand seventeen
16 school year, including those submitted prior to the effective date of
17 this subdivision. If any application was approved prior to the effective
18 date of this subdivision that is not approvable hereunder, such approval
19 shall be deemed void, and the assessor shall provide the applicant with
20 the notice required by paragraph (a) of this subdivision. If an appli-
21 cation was submitted prior to the effective date of this subdivision but
22 is not approvable hereunder, the applicant may apply for advance payment
23 of the personal income tax credit authorized by subsection (eee) of
24 section six hundred six of the tax law for the two thousand sixteen
25 taxable year, if eligible, in the manner provided by paragraph ten of
26 such subsection, notwithstanding the time limitations contained in that
27 paragraph.

28 § 3. Subdivision 2 of section 496 of the real property tax law, as
29 added by section 3 of part N of chapter 58 of the laws of 2011, is
30 amended to read as follows:

31 2. An application to renounce an exemption shall be made on a form
32 prescribed by the commissioner and shall be filed with the county direc-
33 tor of real property tax services no later than ten years after the levy
34 of taxes upon the assessment roll on which the renounced exemption
35 appears. The county director, after consulting with the assessor as
36 appropriate, shall compute the total amount owed on account of the
37 renounced exemption as follows:

38 (a) For each assessment roll on which the renounced exemption appears,
39 the assessed value that was exempted shall be multiplied by the tax rate
40 or rates that were applied to that assessment roll. Interest shall then
41 be added to each such product at the rate prescribed by section nine
42 hundred twenty-four-a of this chapter or such other law as may be appli-
43 cable for each month or portion thereon since the levy of taxes upon
44 such assessment roll.

45 (b) The sum of the calculations made pursuant to paragraph (a) of this
46 subdivision with respect to all of the assessment rolls in question
47 shall be determined.

48 (c) A processing fee of five hundred dollars shall be added to the sum
49 determined pursuant to paragraph (b) of this subdivision, unless the
50 provisions of paragraph (d) of this subdivision are applicable.

51 (d) If the applicant is renouncing a STAR exemption in order to quali-
52 fy for the personal income tax credit authorized by subsection (eee) of
53 section six hundred six of the tax law, and no other exemptions are
54 being renounced on the same application, no processing fee shall be
55 applicable.

1 § 4. Subdivision 3 of section 520 of the real property tax law, as
2 added by chapter 635 of the laws of 1978, is amended to read as follows:

3 3. For purposes of any fiscal year or years during which title to such
4 property is transferred, such property shall be deemed to have been
5 omitted and the assessed value thereof shall be entered on the assess-
6 ment roll to be used for the next tax levy by or for each municipal
7 corporation in which such property is located in the same manner as
8 provided by title three of article five of this chapter with respect to
9 a parcel omitted from the assessment roll of the previous year. A pro
10 rata tax shall be extended against the property for the unexpired
11 portion of each fiscal year. Such real property shall be taxed at the
12 tax rate or tax rates for the fiscal year during which the transfer
13 occurred. The amount of tax or taxes levied pursuant to this subdivi-
14 sion shall be deducted from the aggregate amount of taxes to be levied
15 for the fiscal year immediately succeeding the fiscal year during which
16 the transfer occurred; provided, however, that where the property is
17 receiving a school tax relief (STAR) exemption authorized by section
18 four hundred twenty-five of this chapter, the portion of the tax or
19 taxes levied that equals the recovered STAR tax savings shall be applied
20 to reduce the amount of aid payable to the school district under subdivi-
21 vision three of section thirteen hundred six-a of this chapter.

22 § 5. Subdivision 6 of section 1306-a of the real property tax law is
23 renumbered subdivision 7 and a new subdivision 6 is added to read as
24 follows:

25 6. When the commissioner determines, at least thirty days prior to the
26 levy of school district taxes, that an advance credit of the personal
27 income tax credit authorized by subsection (eee) of section six hundred
28 six of the tax law will be provided to the owners of a parcel in that
29 school district, he or she shall so notify the authorities of the school
30 district, who shall cause a statement to be placed on the tax bill for
31 the parcel in substantially the following form: "A STAR reimbursement
32 check of \$ will be mailed to you upon issuance by the NYS Tax
33 Department." The commissioner shall advise the school district authori-
34 ties of the amount to be entered therein. Notwithstanding any provision
35 of law to the contrary, in the event that the parcel in question had
36 been granted a STAR exemption on the assessment roll upon which school
37 district taxes are to be levied, such exemption shall be deemed null and
38 void and shall be disregarded when the parcel's tax liability is deter-
39 mined.

40 § 6. Section 606 of the tax law is amended by adding a new subsection
41 (eee) to read as follows:

42 (eee) School tax relief (STAR) credit. (1) Definitions. For purposes
43 of this subsection:

44 (A) "Qualified taxpayer" means a resident individual of the state, who
45 maintained his or her primary residence in this state on December thir-
46 ty-first of the taxable year, who was an owner of that property on that
47 date, who cannot receive the STAR exemption on that property either
48 because (i) he or she is precluded from filing an application for the
49 STAR exemption on that property pursuant to paragraph (a) of subdivision
50 sixteen of section four hundred twenty-five of the real property tax
51 law, or because (ii) he or she has irrevocably renounced his or her
52 claim to such exemption in conjunction with all other owners pursuant to
53 paragraph (b) of such subdivision, and who is required or chooses to
54 file a return under this article. A taxpayer whose primary residence
55 received a STAR exemption for the associated fiscal year that commenced

1 after the acquisition of such residence shall not be considered a quali-
2 fied taxpayer for purposes of this subsection.

3 (B) "Affiliated income" shall mean the combined income of all of the
4 owners of the parcel who resided primarily thereon as of December thir-
5 ty-first of the taxable year, and of any owners' spouses residing prima-
6 rily thereon as of such date; provided that the income to be so combined
7 shall be the "adjusted gross income" for the taxable year as reported
8 for federal income tax purposes, or that would be reported as adjusted
9 gross income if a federal income tax return were required to be filed,
10 reduced by distributions, to the extent included in federal adjusted
11 gross income, received from an individual retirement account and an
12 individual retirement annuity.

13 (C) "Associated fiscal year" means the school district fiscal year
14 that began on July first of the taxable year or, in the case of a city
15 school district that is subject to article fifty-two of the education
16 law, the city fiscal year that began on July first of the taxable year.

17 (D) "Owner" means:

18 (i) a person who owns a parcel in fee simple absolute or as a tenant
19 in common, a joint tenant or a tenant by the entirety,

20 (ii) an owner of a present interest in a parcel under a life estate,

21 (iii) a vendee in possession under an installment contract of sale,

22 (iv) a beneficial owner under a trust,

23 (v) a tenant-stockholder of a cooperative apartment corporation who
24 resides in a portion of real property owned by such cooperative apart-
25 ment corporation, to the extent represented by his or her share or
26 shares of stock in such corporation as determined by its or their
27 proportional relationship to the total outstanding stock of the corpo-
28 ration, including that owned by the corporation,

29 (vi) a resident of a farm dwelling that is owned either by a corpo-
30 ration of which the resident is a shareholder, a partnership of which
31 the resident is a partner, or by a limited liability company of which
32 the resident is an owner, or

33 (vii) a resident of a dwelling, other than a farm dwelling, that is
34 owned by a limited partnership of which the resident is a partner,
35 provided that the limited partnership that holds title to the property
36 does not engage in any commercial activity, that the limited partnership
37 was lawfully created to hold title solely for estate planning and asset
38 protection purposes, and that the partner or partners who primarily
39 reside thereon personally pay all of the real property taxes and other
40 costs associated with the property's ownership.

41 (E) "Qualifying taxes" means the school district taxes that were
42 levied upon the taxpayer's primary residence for the associated fiscal
43 year that were actually paid by the taxpayer during the taxable year;
44 or, in the case of a city school district that is subject to article
45 fifty-two of the education law, the combined city and school district
46 taxes that were levied upon the taxpayer's primary residence for the
47 associated fiscal year that were actually paid by the taxpayer during
48 the taxable year. In no case shall the term "qualifying taxes" be
49 construed to include penalties or interest.

50 (F) "STAR exemption" means the school tax relief (STAR) exemption
51 authorized by section four hundred twenty-five of the real property tax
52 law.

53 (G) "STAR tax savings" means the tax savings attributable to the STAR
54 exemption within a portion of a school district, as determined by the
55 commissioner pursuant to subdivision two of section thirteen hundred
56 six-a of the real property tax law.

1 (2) Allowance of credit. A qualified taxpayer shall be allowed a cred-
2 it as provided in paragraph three or four of this subsection, whichever
3 is applicable, against the taxes imposed by this article reduced by the
4 credits permitted by this article, provided that the requirements set
5 forth in the applicable subsection are satisfied. If the credit exceeds
6 the tax as so reduced for such year under this article, the excess shall
7 be treated as an overpayment, to be credited or refunded, without inter-
8 est. If a qualified taxpayer is not required to file a return pursuant
9 to section six hundred fifty-one of this article, a qualified taxpayer
10 may nevertheless receive the full amount of the credit to be credited or
11 repaid as an overpayment, without interest.

12 (3) Determination of basic STAR credit. (A) Beginning with taxable
13 years after two thousand fifteen, a basic STAR credit shall be available
14 to a qualified taxpayer if the affiliated income of the parcel that
15 serves as the taxpayer's primary residence is less than or equal to five
16 hundred thousand dollars.

17 (B) Subject to the provisions of subparagraph (C) of this paragraph,
18 such basic STAR credit shall be the lesser of:

19 (i) the basic STAR tax savings applicable to the taxpayer's primary
20 residence, or

21 (ii) the taxpayer's qualifying taxes.

22 (C) If the qualifying taxes paid by the taxpayer constituted only a
23 portion of the total school district taxes that were levied upon the
24 taxpayer's primary residence for the associated fiscal year or, in the
25 case of a city school district that is subject to article fifty-two of
26 the education law, if the qualifying taxes paid by the taxpayer consti-
27 tuted only a portion of the total combined city and school district
28 taxes that were levied upon the taxpayer's primary residence for the
29 associated fiscal year, the credit allowable to such taxpayer shall be
30 equal to the amount determined pursuant to subparagraph (B) of this
31 paragraph multiplied by the percentage that such portion represents.

32 (4) Determination of enhanced STAR credit. (A) Beginning with taxable
33 years after two thousand fifteen, an enhanced STAR credit shall be
34 available to a qualified taxpayer where both of the following conditions
35 are satisfied:

36 (i) All of the owners of the parcel that serves as the taxpayer's
37 primary residence are at least sixty-five years of age as of December
38 thirty-first of the taxable year or, in the case of property owned by a
39 married couple or by siblings, at least one of the owners is at least
40 sixty-five years of age as of that date. The terms "siblings" as used
41 herein shall have the same meaning as set forth in section four hundred
42 sixty-seven of the real property tax law. In the case of property owned
43 by a married couple, one of whom is sixty-five years of age or over, the
44 credit, once allowed, shall not be disallowed because of the death of
45 the older spouse so long as the surviving spouse is at least sixty-two
46 years of age as of December thirty-first of the taxable year.

47 (ii) The affiliated income of the parcel that serves as the taxpayer's
48 primary residence is less than or equal to the income standard for the
49 taxable year established by the commissioner for the corresponding
50 "income tax year" pursuant to clause (C) of subparagraph (i) of para-
51 graph (b) of subdivision four of section four hundred twenty-five of the
52 real property tax law for purposes of the enhanced STAR exemption.

53 (B) Subject to the provisions of subparagraph (C) of this paragraph,
54 such credit shall be the lesser of:

55 (i) the enhanced STAR tax savings for the school district portion, or

56 (ii) the taxpayer's qualifying taxes.

1 (C) If the qualifying taxes paid by the taxpayer constituted only a
 2 portion of the total school district taxes that were levied upon the
 3 taxpayer's primary residence for the associated fiscal year or, in the
 4 case of a city school district that is subject to article fifty-two of
 5 the education law, if the qualifying taxes paid by the taxpayer consti-
 6 tuted only a portion of the total combined city and school district
 7 taxes that were levied upon the taxpayer's primary residence for the
 8 associated fiscal year, the credit allowable to such taxpayer shall be
 9 equal to the amount determined pursuant to subparagraph (B) of this
 10 paragraph multiplied by the percentage that such portion represents.

11 (5) Disqualification. A taxpayer shall not qualify for the credit
 12 authorized by this subsection if the parcel that serves as the taxpay-
 13 er's primary residence received the STAR exemption on the assessment
 14 roll upon which school district taxes for the associated fiscal year
 15 where levied. Provided, however, that the taxpayer may remove this
 16 disqualification by renouncing the exemption and making any required
 17 payments by December thirty-first of the taxable year, as provided by
 18 subdivision sixteen of section four hundred twenty-five of the real
 19 property tax law.

20 (6) Special cases. (A) In the case of property consisting of a cooper-
 21 ative apartment corporation that is described by paragraph (k) of subdi-
 22 vision two of section four hundred twenty-five of the real property tax
 23 law, the amount of the credit allowable with respect to a cooperative
 24 apartment shall be equal to sixty percent of the basic STAR tax savings
 25 for the school district portion, or sixty percent of the enhanced STAR
 26 tax savings for the school district portion, whichever is applicable.
 27 Provided, however, that in the case of a cooperative apartment corpo-
 28 ration that is described by subparagraph (iv) of paragraph (k) of subdi-
 29 vision two of section four hundred twenty-five of the real property tax
 30 law, the credit allowable with respect to a cooperative apartment shall
 31 be equal to twenty percent of such amount.

32 (B) In the case of property consisting of a mobile home that is
 33 described in paragraph (1) of subdivision two of section four hundred
 34 twenty-five of the real property tax law, the amount of the credit
 35 allowable with respect to such mobile home shall be equal to twenty-five
 36 percent of the basic STAR tax savings for the school district portion,
 37 or twenty-five percent of the enhanced STAR tax savings for the school
 38 district portion, whichever is applicable.

39 (C) In the case of a primary residence that is located in two or more
 40 school districts, the applicable basic or enhanced STAR tax savings for
 41 the school district portion shall be determined as follows:

42 (i) determine the sum of the total school district taxes that were
 43 levied upon the taxpayer's primary residence for the associated fiscal
 44 year by each of the school districts in which the residence is located;

45 (ii) for each such school district, divide the total school district
 46 taxes that were levied upon the taxpayer's primary residence by that
 47 school district for the associated fiscal year by the sum determined in
 48 clause (i) of this subparagraph. Express the result as a percentage with
 49 two decimal places;

50 (iii) for each such school district, multiply the percentage deter-
 51 mined in clause (ii) of this subparagraph by the basic or enhanced STAR
 52 tax savings for the school district portion, whichever is applicable;
 53 and

54 (iv) add the products determined in clause (iii) of this subparagraph.

55 (7) Disclosure of incomes. Where the commissioner has denied a taxpay-
 56 er's claim for the credit authorized by this subsection in whole or in

1 part on the grounds that the affiliated income of the parcel in question
2 exceeds the applicable limit, the commissioner shall have the authority
3 to reveal to that taxpayer the names and incomes of the other taxpayers
4 whose incomes were included in the computation of such affiliated
5 income.

6 (8) Proof of claim. The commissioner may require a qualified taxpayer
7 to furnish the following information in support of his or her claim for
8 credit under this subsection: affiliated income, the total school
9 district taxes levied on the property for the associated fiscal year or,
10 in the case of a city school district that is subject to article fifty-
11 two of the education law, the total combined city and school district
12 taxes levied on the property for the associated fiscal year, the quali-
13 fying taxes paid by the taxpayer, the names and taxpayer identification
14 numbers of all owners of the property and spouses who primarily reside
15 on the property, the parcel identification number and all other informa-
16 tion that may be required by the commissioner to determine the credit.

17 (9) Returns. If a qualified taxpayer is not required to file a return
18 pursuant to section six hundred fifty-one of this article, a claim for a
19 credit may be taken on a return filed with the commissioner within three
20 years from the time it would have been required that a return be filed
21 pursuant to such section had the qualified taxpayer had a taxable year
22 ending on December thirty-first. Returns under this paragraph shall be
23 in such form as shall be prescribed by the commissioner, who shall make
24 available such forms and instructions for filing such returns.

25 (10) Advance payments. (A) The commissioner shall establish a mech-
26 anism by which a qualified taxpayer who has acquired a new primary resi-
27 dence between January first and July first of the taxable year, inclu-
28 sive, may apply for an advance payment of the credit authorized by this
29 section, provided that:

30 (i) Any such application must be submitted to the commissioner by the
31 first day of July of the taxable year, or such later date as may be
32 prescribed by the commissioner, and

33 (ii) A qualified taxpayer who fails to apply for an advance payment of
34 such credit in a timely manner may request and receive such credit in
35 the manner otherwise provided by this section.

36 (B) On or before September fifteenth of each year, or as soon there-
37 after as practicable, the commissioner shall determine the eligibility
38 of taxpayers for this credit utilizing the information available to him
39 or her. For those taxpayers whom the commissioner has determined eligi-
40 ble for this credit, the commissioner shall advance a payment in the
41 amount specified in paragraph three, four or six of this subsection,
42 whichever is applicable. Such payment shall be issued by September thir-
43 tieth of the year the credit is allowed, or as soon thereafter as is
44 practicable. A taxpayer who has failed to receive an advance payment
45 that he or she believes was due to him or her, or who has received an
46 advance payment that he or she believes is less than the amount that was
47 due to him or her, may request payment of the claimed deficiency in a
48 manner prescribed by the commissioner.

49 (C) An advance payment of credit provided pursuant to this subsection
50 that exceeds the taxpayer's qualifying taxes for that taxable year shall
51 be added back as tax on the income tax return for that taxable year.

52 (D) If the commissioner determines after issuing an advance payment
53 that it was issued in an excessive amount or to an ineligible or incor-
54 rect party, the commissioner shall be empowered to utilize any of the
55 procedures for collection, levy and lien of personal income tax set
56 forth in this article, any other relevant procedures referenced within

1 the provisions of this article, and any other law as may be applicable,
2 to recoup the improperly issued amount.

3 (11) Administration. The provisions of this article, including the
4 provisions of sections six hundred fifty-three, six hundred fifty-eight,
5 and six hundred fifty-nine of this article and the provisions of part
6 six of this article relating to procedure and administration, including
7 the judicial review of the decisions of the commissioner, except so much
8 of section six hundred eighty-seven of this article that permits a claim
9 for credit or refund to be filed after the period provided for in para-
10 graph nine of this subsection and except sections six hundred fifty-sev-
11 en, six hundred eighty-eight and six hundred ninety-six of this article,
12 shall apply to the provisions of this subsection in the same manner and
13 with the same force and effect as if the language of those provisions
14 had been incorporated in full into this subsection and had expressly
15 referred to the credit allowed or returns filed under this subsection,
16 except to the extent that any such provision is either inconsistent with
17 a provision of this subsection or is not relevant to this subsection. As
18 used in such sections and such part, the term "taxpayer" shall include a
19 qualified taxpayer under this subsection and, notwithstanding the
20 provisions of subsection (e) of section six hundred ninety-seven of this
21 article, where a qualified taxpayer has protested the denial of a claim
22 for credit under this subsection and the time to file a petition for
23 redetermination of a deficiency or for refund has not expired, he or she
24 shall, subject to such conditions as may be set by the commissioner,
25 receive such information (A) that is contained in any return filed under
26 this article by a member of his or her household for the taxable year
27 for which the credit is claimed, and (B) that the commissioner finds is
28 relevant and material to the issue of whether such claim was properly
29 denied.

30 (12) In the case of a taxpayer who has itemized deductions from feder-
31 al adjusted gross income, and whose federal itemized deductions include
32 an amount for real estate taxes paid, the New York itemized deduction
33 otherwise allowable under section six hundred fifteen of this chapter
34 shall be reduced by the amount of the credit claimed under this
35 subsection.

36 § 7. The opening paragraph of subparagraph (a) of paragraph 2 of
37 subsection (n-1) of section 606 of the tax law, as added by section 1 of
38 subpart B of part C of chapter 20 of the laws of 2015, is amended to
39 read as follows:

40 To be eligible for the credit, the taxpayer (or taxpayers filing joint
41 returns) on the personal income tax return filed for the taxable year
42 two years prior, must have (i) been a resident, (ii) owned and primarily
43 resided in real property receiving either the STAR exemption authorized
44 by section four hundred twenty-five of the real property tax law or the
45 school tax relief credit authorized by subsection (eee) of this section,
46 and (iii) had qualified gross income no greater than two hundred seven-
47 ty-five thousand dollars. Provided, however, that no credit shall be
48 allowed if any of the following apply:

49 § 8. This act shall take effect immediately, provided, however, that
50 sections six and seven of this act shall apply to taxable years begin-
51 ning on or after January 1, 2016.

52 PART B

53 Intentionally Omitted



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PART C

Intentionally Omitted

PART D

Section 1. Subdivision 6 of section 425 of the real property tax law is amended by adding a new paragraph (a-2) to read as follows:

(a-2) Notwithstanding any provision of law to the contrary, where a renewal application for the "enhanced" STAR exemption authorized by subdivision four of this section has not been filed on or before the taxable status date, and the owner believes that good cause existed for the failure to file the renewal application by that date, the owner may, no later than the last day for paying school taxes without incurring interest or penalty, submit a written request to the commissioner asking him or her to extend the filing deadline and grant the exemption. Such request shall contain an explanation of why the deadline was missed, and shall be accompanied by a renewal application, reflecting the facts and circumstances as they existed on the taxable status date. After consulting with the assessor, the commissioner may extend the filing deadline and grant the exemption if the commissioner is satisfied that (i) good cause existed for the failure to file the renewal application by the taxable status date, and that (ii) the applicant is otherwise entitled to the exemption. The commissioner shall mail notice of his or her determination to such owner and the assessor. If the determination states that the commissioner has granted the exemption, the assessor shall thereupon be authorized and directed to correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, to direct that person to make the appropriate corrections. If the correction is not made before school taxes are levied, the failure to take the exemption into account in the computation of the tax shall be deemed a "clerical error" for purposes of title three of article five of this chapter, and shall be corrected accordingly.

§ 2. Section 467 of the real property tax law is amended by adding a new subdivision 8-a to read as follows:

8-a. Notwithstanding any provision of law to the contrary, the local governing body of a municipal corporation that is authorized to adopt a local law pursuant to subdivision eight of this section is further authorized to adopt a local law providing that where a renewal application for the exemption authorized by this section has not been filed on or before the taxable status date, and the owner believes that good cause existed for the failure to file the renewal application by that date, the owner may, no later than the last day for paying taxes without incurring interest or penalty, submit a written request to the assessor asking him or her to extend the filing deadline and grant the exemption. Such request shall contain an explanation of why the deadline was missed, and shall be accompanied by a renewal application, reflecting the facts and circumstances as they existed on the taxable status date. The assessor may extend the filing deadline and grant the exemption if he or she is satisfied that (i) good cause existed for the failure to file the renewal application by the taxable status date, and that (ii) the applicant is otherwise entitled to the exemption. The assessor shall mail notice of his or her determination to the owner. If the determination states that the assessor has granted the exemption, he or she shall thereupon be authorized and directed to correct the assessment

1 roll accordingly, or, if another person has custody or control of the
2 assessment roll, to direct that person to make the appropriate
3 corrections. If the correction is not made before taxes are levied, the
4 failure to take the exemption into account in the computation of the tax
5 shall be deemed a "clerical error" for purposes of title three of arti-
6 cle five of this chapter, and shall be corrected accordingly.

7 § 3. This act shall take effect on the sixtieth day after it shall
8 have become a law.

9

PART E

10 Section 1. Section 606 of the tax law is amended by adding a new
11 subsection (eee) to read as follows:

12 (eee) School tax reduction credit for residents of a city with a popu-
13 lation over one million. (1) For taxable years beginning after two thou-
14 sand fifteen, a school tax reduction credit shall be allowed to a resi-
15 dent individual of the state who is a resident of a city with a
16 population over one million, as provided below. The credit shall be
17 allowed against the taxes authorized by this article reduced by the
18 credits permitted by this article. If the credit exceeds the tax as so
19 reduced, the excess shall be treated as an overpayment of tax to be
20 credited or refunded in accordance with the provisions of section six
21 hundred eighty-six of this article, provided however, that no interest
22 will be paid thereon. For purposes of this subsection, no credit shall
23 be granted to an individual with respect to whom a deduction under
24 subsection (c) of section one hundred fifty-one of the internal revenue
25 code is allowable to another taxpayer for the taxable year.

26 (2) The amount of the credit under this paragraph shall be determined
27 based upon the taxpayer's income as defined in subparagraph (ii) of
28 paragraph (b) of subdivision four of section four hundred twenty-five of
29 the real property tax law. For the purposes of this paragraph, any
30 taxpayer under subparagraphs (A) and (B) of this paragraph with income
31 of more than two hundred fifty thousand dollars shall not receive a
32 credit.

33 (A) Married individuals filing joint returns and surviving spouses. In
34 the case of married individuals who make a single return jointly and of
35 a surviving spouse, the credit shall be one hundred twenty-five dollars.

36 (B) All others. In the case of an unmarried individual, a head of a
37 household or a married individual filing a separate return, the credit
38 shall be sixty-two dollars and fifty cents.

39 (3) Part-year residents. If a taxpayer changes status during the taxa-
40 ble year from resident to nonresident, or from nonresident to resident,
41 the school tax reduction credit authorized by this subsection shall be
42 prorated according to the number of months in the period of residence.

43 § 2. Paragraphs 1 and 2 of subsection (e) of section 1310 of the tax
44 law, paragraph 1 as amended by section 3 of part A of chapter 56 of the
45 laws of 1998, paragraph 2 as amended by section 1 of part R of chapter
46 57 of the laws of 2008 and subparagraphs (A) and (B) of paragraph 2 as
47 amended by section 4 of part M of chapter 57 of the laws of 2009, are
48 amended to read as follows:

49 (1) For taxable years beginning after nineteen hundred ninety-seven,
50 and ending before two thousand sixteen, a state school tax reduction
51 credit shall be allowed as provided in the following tables. The credit
52 shall be allowed against the taxes authorized by this article reduced by
53 the credits permitted by this article. If the credit exceeds the tax as
54 so reduced, the taxpayer may receive, and the comptroller, subject to a

1 certificate of the commissioner, shall pay as an overpayment, without
 2 interest, the amount of such excess. For purposes of this subsection, no
 3 credit shall be granted to an individual with respect to whom a
 4 deduction under subsection (c) of section one hundred fifty-one of the
 5 internal revenue code is allowable to another taxpayer for the taxable
 6 year.

7 (2) The amount of the credit under this paragraph shall be determined
 8 based upon the taxpayer's income as defined in subparagraph (ii) of
 9 paragraph (b) of subdivision four of section four hundred twenty-five of
 10 the real property tax law. For the purposes of this paragraph, any
 11 taxpayer under subparagraphs (A) and (B) of this paragraph with income
 12 of more than two hundred fifty thousand dollars shall not receive a
 13 credit.

14 Beginning in the two thousand ten tax year and each tax year thereaft-
 15 er through two thousand fifteen, the "more than two hundred fifty thou-
 16 sand dollar" income limitation shall be adjusted by applying the
 17 inflation factor set forth herein, and rounding each result to the near-
 18 est multiple of one hundred dollars. The department shall establish the
 19 income limitation to be associated with each subsequent tax year by
 20 applying the inflation factor set forth herein to the figures that
 21 define the income limitation that were applicable to the preceding tax
 22 year, as determined pursuant to this [subdivision] subsection, and
 23 rounding each result to the nearest multiple of one hundred dollars.
 24 Such determination shall be made no later than March first, two thousand
 25 ten and each year thereafter.

26 [For purposes of this paragraph, the "inflation factor" shall be
 27 determined in accordance with the provisions set forth in subdivision
 28 fifteen of section one hundred seventy-eight of this chapter.]

29 (A) Married individuals filing joint returns and surviving spouses. In
 30 the case of a husband and wife who make a single return jointly and of a
 31 surviving spouse:

32 For taxable years beginning:	The credit shall be:
33 in 2001-2005	\$125
34 in 2006	\$230
35 in 2007-2008	\$290
36 in 2009 [and after] - <u>2015</u>	\$125

37 (B) All others. In the case of an unmarried individual, a head of a
 38 household or a married individual filing a separate return:

39 For taxable years beginning:	The credit shall be:
40 in 2001-2005	\$62.50
41 in 2006	\$115
42 in 2007-2008	\$145
43 in 2009 [and after] - <u>2015</u>	\$62.50

44 § 3. Paragraphs 1 and 2 of subsection (c) of section 11-1706 of the
 45 administrative code of the city of New York, paragraph 1 as amended by
 46 section 6 of part A of chapter 56 of the laws of 1998, paragraph 2 as
 47 amended by section 2 of part R of chapter 57 of the laws of 2008 and
 48 subparagraphs (A) and (B) of paragraph 2 as amended by section 5 of part
 49 M of chapter 57 of the laws of 2009, are amended to read as follows:

50 (1) For taxable years beginning after nineteen hundred ninety-seven
 51 and ending before two thousand sixteen, a state school tax reduction
 52 credit shall be allowed as provided in the following tables. The credit
 53 shall be allowed against the taxes authorized by this article reduced by
 54 the credits permitted by this article. If the credit exceeds the tax as
 55 so reduced, the taxpayer may receive, and the comptroller, subject to a
 56 certificate of the commissioner, shall pay as an overpayment, without

1 interest, the amount of such excess. For purposes of this [subdivision]
 2 subsection, no credit shall be granted to an individual with respect to
 3 whom a deduction under subsection (c) of section one hundred fifty-one
 4 of the internal revenue code is allowable to another taxpayer for the
 5 taxable year.

6 (2) The amount of the credit under this paragraph shall be determined
 7 based upon the taxpayer's income as defined in subparagraph (ii) of
 8 paragraph (b) of subdivision four of section four hundred twenty-five of
 9 the real property tax law. For purposes of this paragraph, any taxpayer
 10 under subparagraphs (A) and (B) of this paragraph with income of more
 11 than two hundred fifty thousand dollars shall not receive a credit.

12 Beginning in the two thousand ten tax year and each tax year thereafter
 13 er through two thousand fifteen, the "more than two hundred fifty thou-
 14 sand dollar" income limitation shall be adjusted by applying the
 15 inflation factor set forth herein, and rounding each result to the near-
 16 est multiple of one hundred dollars. The department shall establish the
 17 income limitation to be associated with each subsequent tax year by
 18 applying the inflation factor set forth herein to the figures that
 19 define the income limitation that were applicable to the preceding tax
 20 year, as determined pursuant to this [subdivision] subsection, and
 21 rounding each result to the nearest multiple of one hundred dollars.
 22 Such determination shall be made no later than March first, two thousand
 23 ten and each year thereafter.

24 [For purposes of this paragraph, the "inflation factor" shall be
 25 determined in accordance with the provisions set forth in subdivision
 26 fifteen of section one hundred seventy-eight of the tax law.]

27 (A) Married individuals filing joint returns and surviving spouses. In
 28 the case of a husband and wife who make a single return jointly and of a
 29 surviving spouse:

30 For taxable years beginning:	The credit shall be:
31 in 2001-2005	\$125
32 in 2006	\$230
33 in 2007-2008	\$290
34 in 2009 [and after]- 2015	\$125

35 (B) All others. In the case of an unmarried individual, a head of a
 36 household or a married individual filing a separate return:

37 For taxable years beginning:	The credit shall be:
38 in 2001-2005	\$62.50
39 in 2006	\$115
40 in 2007-2008	\$145
41 in 2009 [and after]- 2015	\$62.50

42 § 4. This act shall take effect immediately and shall apply to taxable
 43 years beginning on or after January 1, 2016.

44

PART F

45 Section 1. Section 425 of the real property tax law is amended by
 46 adding a new subdivision 16 to read as follows:

47 (16) Notwithstanding any provision of law to the contrary, when the
 48 commissioner finds that a property owner was eligible for the STAR
 49 exemption authorized by this section on an assessment roll, but the
 50 exemption was not taken into account in the calculation of the property
 51 owner's school tax bill due to an administrative error, and the property
 52 owner or his or her agent paid an excessive amount of school taxes on
 53 the property as a result, the commissioner of taxation and finance is
 54 authorized to remit directly to the property owner the tax savings that

1 the STAR exemption would have yielded if the STAR exemption had been
2 taken into account in the calculation of that taxpayer's school tax
3 bill. The amounts payable under this section shall be paid from the
4 account established for the payment of STAR benefits to late registrants
5 pursuant to subparagraph (iii) of paragraph (a) of subdivision fourteen
6 of this section. Where such a payment has been made, neither the proper-
7 ty owner nor his or her agent shall be entitled to a refund of the
8 excessive amount of school taxes paid on account of the administrative
9 error.

10 § 2. This act shall take effect immediately.

11 PART G

12 Section 1. Intentionally omitted.

13 § 2. Intentionally omitted.

14 § 3. Intentionally omitted.

15 § 4. Intentionally omitted.

16 § 5. Section 23 of part U of chapter 61 of the laws of 2011, amending
17 the real property tax law and other laws relating to establishing stand-
18 ards for electronic tax administration, as amended by section 1 of part
19 H of chapter 59 of the laws of 2013, is amended to read as follows:

20 § 23. This act shall take effect immediately; provided, however, that:

21 (a) the amendments to section 29 of the tax law made by section thir-
22 teen of this act shall apply to tax documents filed or required to be
23 filed on or after the sixtieth day after which this act shall have
24 become a law and shall expire and be deemed repealed December 31, [2016]
25 2019, provided however that the amendments to paragraph 4 of subdivision
26 (a) of section 29 of the tax law and paragraph 2 of subdivision (e) of
27 section 29 of the tax law made by section thirteen of this act with
28 regard to individual taxpayers shall take effect September 15, 2011 but
29 only if the commissioner of taxation and finance has reported in the
30 report required by section seventeen-b of this act that the percentage
31 of individual taxpayers electronically filing their 2010 income tax
32 returns is less than eighty-five percent; provided that the commissioner
33 of taxation and finance shall notify the legislative bill drafting
34 commission of the date of the issuance of such report in order that the
35 commission may maintain an accurate and timely effective data base of
36 the official text of the laws of the state of New York in furtherance of
37 effectuating the provisions of section 44 of the legislative law and
38 section 70-b of the public officers law;

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

45 (c) sections fourteen-a and fifteen-a of this act shall take effect
46 September 15, 2011 and expire and be deemed repealed December 31, 2012
47 but shall take effect only if the commissioner of taxation and finance
48 has reported in the report required by section seventeen-b of this act
49 that the percentage of individual taxpayers electronically filing their
50 2010 income tax returns is eighty-five percent or greater;

51 (d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this
52 act shall take effect January 1, [2017] 2020 but only if the commission-
53 er of taxation and finance has reported in the report required by
54 section seventeen-b of this act that the percentage of individual

1 taxpayers electronically filing their 2010 income tax returns is less
2 than eighty-five percent; and

3 (e) sections twenty-one and twenty-one-a of this act shall expire and
4 be deemed repealed December 31, [2016] 2019.

5 § 6. Intentionally omitted.

6 § 7. Intentionally omitted.

7 § 8. This act shall take effect immediately.

8

PART H

9 Section 1. Subdivision 4 of section 22 of the public housing law, as
10 amended by section 2 of part P of chapter 59 of the laws of 2014, is
11 amended to read as follows:

12 4. Statewide limitation. The aggregate dollar amount of credit which
13 the commissioner may allocate to eligible low-income buildings under
14 this article shall be [~~sixty-four~~] seventy-two million dollars. The
15 limitation provided by this subdivision applies only to allocation of
16 the aggregate dollar amount of credit by the commissioner, and does not
17 apply to allowance to a taxpayer of the credit with respect to an eligi-
18 ble low-income building for each year of the credit period.

19 § 2. Subdivision 4 of section 22 of the public housing law, as amended
20 by section one of this act, is amended to read as follows:

21 4. Statewide limitation. The aggregate dollar amount of credit which
22 the commissioner may allocate to eligible low-income buildings under
23 this article shall be [~~seventy-two~~] eighty million dollars. The limita-
24 tion provided by this subdivision applies only to allocation of the
25 aggregate dollar amount of credit by the commissioner, and does not
26 apply to allowance to a taxpayer of the credit with respect to an eligi-
27 ble low-income building for each year of the credit period.

28 § 3. Subdivision 4 of section 22 of the public housing law as amended
29 by section two of this act is amended to read as follows:

30 4. Statewide limitation. The aggregate dollar amount of credit which
31 the commissioner may allocate to eligible low-income buildings under
32 this article shall be [~~eighty~~] eighty-eight million dollars. The limita-
33 tion provided by this subdivision applies only to allocation of the
34 aggregate dollar amount of credit by the commissioner, and does not
35 apply to allowance to a taxpayer of the credit with respect to an eligi-
36 ble low-income building for each year of the credit period.

37 § 4. Subdivision 4 of section 22 of the public housing law, as amended
38 by section three of this act, is amended to read as follows:

39 4. Statewide limitation. The aggregate dollar amount of credit which
40 the commissioner may allocate to eligible low-income buildings under
41 this article shall be [~~eighty-eight~~] ninety-six million dollars. The
42 limitation provided by this subdivision applies only to allocation of
43 the aggregate dollar amount of credit by the commissioner, and does not
44 apply to allowance to a taxpayer of the credit with respect to an eligi-
45 ble low-income building for each year of the credit period.

46 § 5. Subdivision 4 of section 22 of the public housing law, as amended
47 by section four of this act, is amended to read as follows:

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

1 § 6. This act shall take effect immediately; provided, however,
2 section two of this act shall take effect April 1, 2017; section three
3 of this act shall take effect April 1, 2018; section four of this act
4 shall take effect April 1, 2019 and section five of this act shall take
5 effect April 1, 2020.

6

PART I

7 Section 1. Paragraphs (a) and (b) of subdivision 29 of section 210-B
8 of the tax law, as added by section 17 of part A of chapter 59 of the
9 laws of 2014, are amended to read as follows:

10 (a) Allowance of credit. For taxable years beginning on or after Janu-
11 ary first, two thousand fifteen and before January first, two thousand
12 [seventeen] nineteen, a taxpayer shall be allowed a credit, to be
13 computed as provided in this subdivision, against the tax imposed by
14 this article, for hiring and employing, for not less than one year and
15 for not less than thirty-five hours each week, a qualified veteran with-
16 in the state. The taxpayer may claim the credit in the year in which the
17 qualified veteran completes one year of employment by the taxpayer. If
18 the taxpayer claims the credit allowed under this subdivision, the
19 taxpayer may not use the hiring of a qualified veteran that is the basis
20 for this credit in the basis of any other credit allowed under this
21 article.

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

23 (1) who served on active duty in the United States army, navy, air
24 force, marine corps, coast guard or the reserves thereof, or who served
25 in active military service of the United States as a member of the army
26 national guard, air national guard, New York guard or New York naval
27 militia; who was released from active duty by general or honorable
28 discharge after September eleventh, two thousand one;

29 (2) who commences employment by the qualified taxpayer on or after
30 January first, two thousand fourteen, and before January first, two
31 thousand [sixteen] eighteen; and

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

36 § 2. Paragraphs 1 and 2 of subsection (a-2) of section 606 of the tax
37 law, as added by section 3 of part AA of chapter 59 of the laws of 2013,
38 are amended to read as follows:

39 (1) Allowance of credit. For taxable years beginning on or after Janu-
40 ary first, two thousand fifteen and before January first, two thousand
41 [seventeen] nineteen, a taxpayer shall be allowed a credit, to be
42 computed as provided in this subsection, against the tax imposed by this
43 article, for hiring and employing, for not less than one year and for
44 not less than thirty-five hours each week, a qualified veteran within
45 the state. The taxpayer may claim the credit in the year in which the
46 qualified veteran completes one year of employment by the taxpayer. If
47 the taxpayer claims the credit allowed under this subsection, the
48 taxpayer may not use the hiring of a qualified veteran that is the basis
49 for this credit in the basis of any other credit allowed under this
50 article.

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

52 (A) who served on active duty in the United States army, navy, air
53 force, marine corps, coast guard or the reserves thereof, or who served
54 in active military service of the United States as a member of the army

1 national guard, air national guard, New York guard or New York naval
2 militia; who was released from active duty by general or honorable
3 discharge after September eleventh, two thousand one;

4 (B) who commences employment by the qualified taxpayer on or after
5 January first, two thousand fourteen, and before January first, two
6 thousand [sixteen] eighteen; and

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

11 § 3. Paragraphs 1 and 2 of subdivision (g-1) of section 1511 of the
12 tax law, as added by section 5 of part AA of chapter 59 of the laws of
13 2013, are amended to read as follows:

14 (1) Allowance of credit. For taxable years beginning on or after Janu-
15 ary first, two thousand fifteen and before January first, two thousand
16 [seventeen] nineteen, a taxpayer shall be allowed a credit, to be
17 computed as provided in this subdivision, against the tax imposed by
18 this article, for hiring and employing, for not less than one year and
19 for not less than thirty-five hours each week, a qualified veteran with-
20 in the state. The taxpayer may claim the credit in the year in which the
21 qualified veteran completes one year of employment by the taxpayer. If
22 the taxpayer claims the credit allowed under this subdivision, the
23 taxpayer may not use the hiring of a qualified veteran that is the basis
24 for this credit in the basis of any other credit allowed under this
25 article.

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

27 (A) who served on active duty in the United States army, navy, air
28 force, marine corps, coast guard or the reserves thereof, or who served
29 in active military service of the United States as a member of the army
30 national guard, air national guard, New York guard or New York naval
31 militia; who was released from active duty by general or honorable
32 discharge after September eleventh, two thousand one;

33 (B) who commences employment by the qualified taxpayer on or after
34 January first, two thousand fourteen, and before January first, two
35 thousand [sixteen] eighteen; and

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

40 § 4. This act shall take effect immediately.

41

PART J

42 Section 1. Paragraph 1 of subdivision (a) of section 28 of the tax
43 law, as amended by section 1 of part O of chapter 59 of the laws of
44 2014, is amended to read as follows:

45 (1) A taxpayer which is a qualified commercial production company, or
46 which is a sole proprietor of a qualified commercial production company,
47 and which is subject to tax under article nine-A or twenty-two of this
48 chapter, shall be allowed a credit against such tax, pursuant to the
49 provisions referenced in subdivision (c) of this section, to be computed
50 as provided in this section. Provided, however, to be eligible for such
51 credit, at least seventy-five percent of the production costs (excluding
52 post production costs) paid or incurred directly and predominantly in
53 the actual filming or recording of the qualified commercial must be
54 costs incurred in New York state. The tax credit allowed pursuant to

1 this section shall apply to taxable years beginning before January
2 first, two thousand [seventeen] nineteen.

3 § 2. Paragraph (c) of subdivision 23 of section 210-B of the tax law,
4 as added by section 17 of part A of chapter 59 of the laws of 2014, is
5 amended to read as follows:

6 (c) Expiration of credit. The credit allowed under this subdivision
7 shall not be applicable to taxable years beginning on or after [December
8 thirty-first] January first, two thousand [seventeen] nineteen.

9 § 3. Paragraph 1 of subsection (jj) of section 606 of the tax law, as
10 amended by section 4 of part O of chapter 59 of the laws of 2014, is
11 amended to read as follows:

12 (1) Allowance of credit. A taxpayer that is eligible pursuant to the
13 provisions of section twenty-eight of this chapter shall be allowed a
14 credit to be computed as provided in such section against the tax
15 imposed by this article. The tax credit allowed pursuant to this section
16 shall apply to taxable years beginning before January first, two thou-
17 sand [seventeen] nineteen.

18 § 4. This act shall take effect immediately.

19

PART K

20 Section 1. Section 5 of chapter 604 of the laws of 2011, amending the
21 tax law relating to the credit for companies who provide transportation
22 to people with disabilities, is amended to read as follows:

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

31 § 2. Paragraph (c) of subdivision 38 of section 210-B of the tax law,
32 as added by section 17 of part A of chapter 59 of the laws of 2014, is
33 amended to read as follows:

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

46 § 3. This act shall take effect immediately.

47

PART L

48 Section 1. Section 2 of part I of chapter 58 of the laws of 2006,
49 relating to providing an enhanced earned income tax credit, as amended
50 by section 1 of part G of chapter 59 of the laws of 2014, is amended to
51 read as follows:

1 § 2. This act shall take effect immediately and shall apply to taxable
2 years beginning on or after January 1, 2006 [and before January 1,
3 2017].

4 § 2. This act shall take effect immediately.

5

PART M

6 Section 1. Section 12 of part N of chapter 61 of the laws of 2005,
7 amending the tax law relating to certain transactions and related infor-
8 mation and relating to the voluntary compliance initiative, as amended
9 by section 1 of part B of chapter 61 of the laws of 2011, is amended to
10 read as follows:

11 § 12. This act shall take effect immediately; provided, however, that
12 (i) section one of this act shall apply to all disclosure statements
13 described in paragraph 1 of subdivision (a) of section 25 of the tax
14 law, as added by section one of this act, that were required to be filed
15 with the internal revenue service at any time with respect to "listed
16 transactions" as described in such paragraph 1, and shall apply to all
17 disclosure statements described in paragraph 1 of subdivision (a) of
18 section 25 of the tax law, as added by section one of this act, that
19 were required to be filed with the internal revenue service with respect
20 to "reportable transactions" as described in such paragraph 1, other
21 than "listed transactions", in which a taxpayer participated during any
22 taxable year for which the statute of limitations for assessment has not
23 expired as of the date this act shall take effect, and shall apply to
24 returns or statements described in such paragraph 1 required to be filed
25 by taxpayers (or persons as described in such paragraph) with the
26 commissioner of taxation and finance on or after the sixtieth day after
27 this act shall have become a law; and

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

32 (iii) provided, further, that the provisions of this act, except
33 section five of this act, shall expire and be deemed repealed July 1,
34 [2015] 2019; provided, that, such expiration and repeal shall not affect
35 any requirement imposed pursuant to this act.

36 § 2. This act shall take effect immediately and shall be deemed to
37 have been in full force and effect on and after July 1, 2015; provided,
38 however that notwithstanding the provisions of article 5 of the general
39 construction law, the provisions of section 25, paragraph 11 of
40 subsection (c) of section 683, subsections (p), (p-1), (x), (y), (z),
41 (aa) and (bb) of section 685, paragraph 11 of subsection (c) of section
42 1083, subsections (k), (k-1), (p), (q), (r), (s) and (t) of section 1085
43 of the tax law, and section 11 of Part N of chapter 61 of the laws of
44 2005, are hereby revived and shall continue in full force and effect as
45 such provisions existed on July 1, 2015.

46

PART N

47 Section 1. Paragraph (a) of subdivision 25 of section 210-B of the tax
48 law, as added by section 17 of part A of chapter 59 of the laws of 2014,
49 is amended to read as follows:

50 (a) General. A taxpayer shall be allowed a credit against the tax
51 imposed by this article. Such credit, to be computed as hereinafter
52 provided, shall be allowed for bioheat, used for space heating or hot

1 water production for residential purposes within this state purchased
 2 before January first, two thousand [seventeen] twenty. Such credit shall
 3 be \$0.01 per percent of biodiesel per gallon of bioheat, not to exceed
 4 twenty cents per gallon, purchased by such taxpayer. Provided, however,
 5 that on or after January first, two thousand seventeen, this credit
 6 shall not apply to bioheat that is less than six percent biodiesel per
 7 gallon of bioheat.

8 § 2. Paragraph 1 of subsection (mm) of section 606 of the tax law, as
 9 amended by chapter 193 of the laws of 2012, is amended to read as
 10 follows:

11 (1) A taxpayer shall be allowed a credit against the tax imposed by
 12 this article. Such credit, to be computed as hereinafter provided, shall
 13 be allowed for bioheat, used for space heating or hot water production
 14 for residential purposes within this state and purchased on or after
 15 July first, two thousand six and before July first, two thousand seven
 16 and on or after January first, two thousand eight and before January
 17 first, two thousand [seventeen] twenty. Such credit shall be \$0.01 per
 18 percent of biodiesel per gallon of bioheat, not to exceed twenty cents
 19 per gallon, purchased by such taxpayer. Provided, however, that on or
 20 after January first, two thousand seventeen, this credit shall not apply
 21 to bioheat that is less than six percent biodiesel per gallon of
 22 bioheat.

23 § 3. This act shall take effect immediately.

24 PART O

25 Section 1. Section 359 of the economic development law, as amended by
 26 section 3 of part C of chapter 68 of the laws of 2013, is amended to
 27 read as follows:

28 § 359. Cap on tax credit. The total amount of tax credits listed on
 29 certificates of tax credit issued by the commissioner for any taxable
 30 year may not exceed the limitations set forth in this section. One-half
 31 of any amount of tax credits not awarded for a particular taxable year
 32 in years two thousand eleven through two thousand twenty-four may be
 33 used by the commissioner to award tax credits in another taxable year.

34 Credit components in the aggregate	With respect to taxable
35 shall not exceed:	years beginning in:
36 \$ 50 million	2011
37 \$ 100 million	2012
38 \$ 150 million	2013
39 \$ 200 million	2014
40 \$ 250 million	2015
41 \$ [200] <u>183</u> million	2016
42 \$ [200] <u>183</u> million	2017
43 \$ [200] <u>183</u> million	2018
44 \$ [200] <u>183</u> million	2019
45 \$ [200] <u>183</u> million	2020
46 \$ [200] <u>183</u> million	2021
47 \$ [150] <u>133</u> million	2022
48 \$ [100] <u>83</u> million	2023
49 \$ [50] <u>36</u> million	2024

50 Twenty-five percent of tax credits shall be allocated to businesses
 51 accepted into the program under subdivision four of section three

1 hundred fifty-three of this article and seventy-five percent of tax
2 credits shall be allocated to businesses accepted into the program under
3 subdivision three of section three hundred fifty-three of this article.

4 Provided, however, if by September thirtieth of a calendar year, the
5 department has not allocated the full amount of credits available in
6 that year to either: (i) businesses accepted into the program under
7 subdivision four of section three hundred fifty-three of this article or
8 (ii) businesses accepted into the program under subdivision three of
9 section three hundred fifty-three of this article, the commissioner may
10 allocate any remaining tax credits to businesses referenced in [para-
11 graphs (i) and (ii) of this section] this paragraph as needed; provided,
12 however, that under no circumstances may the aggregate statutory cap for
13 all program years be exceeded. One hundred percent of the unawarded
14 amounts remaining at the end of two thousand twenty-four may be allo-
15 cated in subsequent years, notwithstanding the fifty percent limitation
16 on any amounts of tax credits not awarded in taxable years two thousand
17 eleven through two thousand twenty-four. Provided, however, no tax cred-
18 its may be allowed for taxable years beginning on or after January
19 first, two thousand twenty-seven.

20 § 2. Subdivision 5 of section 354 of the economic development law, as
21 amended by section 2 of part C of chapter 68 of the laws of 2013, is
22 amended to read as follows:

23 5. A participant may claim tax benefits commencing in the first taxa-
24 ble year that the business enterprise receives a certificate of tax
25 credit or the first taxable year listed on its preliminary schedule of
26 benefits, whichever is later. A participant may claim such benefits for
27 the next nine consecutive taxable years, provided that the participant
28 demonstrates to the department that it continues to satisfy the eligi-
29 bility criteria specified in section three hundred fifty-three of this
30 article and subdivision two of this section in each of those taxable
31 years, and provided that no tax credits may be allowed for taxable years
32 beginning on or after January first, two thousand twenty-seven. If, in
33 any given year, a participant who has satisfied the eligibility criteria
34 specified in section three hundred fifty-three of this article realizes
35 job creation less than the estimated amount, the credit shall be reduced
36 by the proportion of actual job creation to the estimated amount,
37 provided the proportion is at least seventy-five percent of the jobs
38 estimated.

39 § 3. Subdivision (b) of section 31 of the tax law, as added by section
40 7 of part G of chapter 61 of the laws of 2011, is amended to read as
41 follows:

42 (b) To be eligible for the excelsior jobs program credit, the taxpayer
43 shall have been issued a "certificate of tax credit" by the department
44 of economic development pursuant to subdivision four of section three
45 hundred fifty-four of the economic development law, which certificate
46 shall set forth the amount of each credit component that may be claimed
47 for the taxable year. A taxpayer may claim such credit for ten consec-
48 utive taxable years commencing in the first taxable year that the
49 taxpayer receives a certificate of tax credit or the first taxable year
50 listed on its preliminary schedule of benefits, whichever is later,
51 provided that no tax credits may be allowed for taxable years beginning
52 on or after January first, two thousand twenty-seven. The taxpayer shall
53 be allowed to claim only the amount listed on the certificate of tax
54 credit for that taxable year. Such certificate must be attached to the
55 taxpayer's return. No cost or expense paid or incurred by the taxpayer
56 shall be the basis for more than one component of this credit or any

1 other tax credit, except as provided in section three hundred fifty-five
2 of the economic development law.

3 § 4. This act shall take effect immediately.

4

PART P

5 Section 1. Subdivision (c) of section 24 of the tax law, as added by
6 section 1 of part P of chapter 60 of the laws of 2004, is amended to
7 read as follows:

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

10 (1) article 9-A: section [210] 210-B: subdivision [36] 20.

11 (2) article 22: section 606: subsection (gg).

12 § 1-a. Paragraph 4 of subdivision (e) of section 24 of the tax law, as
13 amended by section 3 of part B of chapter 59 of the laws of 2013, is
14 amended to read as follows:

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

1 claimed and include a copy of the certificate with their tax return. In
2 the case of a qualified film that receives funds from additional pool 2,
3 no empire state film production credit shall be claimed before the later
4 of 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 § 2. Subdivision (a) and paragraphs 2, 4, and 5 of subdivision (e) of
9 section 38 of the tax law, as added by section 1 of part EE of chapter
10 59 of the laws of 2013, are amended to read as follows:

11 (a) A taxpayer that is an eligible employer or an owner of an eligible
12 employer as defined in subdivision (b) of this section shall be eligible
13 for a credit against the tax imposed under article nine, nine-A, twen-
14 ty-two, [thirty-two] or thirty-three of this article, pursuant to the
15 provisions referenced in subdivision (e) of this section.

16 (2) Article 9-A: Section [210] 210-B, subdivision [46] 40.

17 (4) [Article 32: Section 1456, subsection (z).

18 (5)] Article 33: Section 1511, subdivision (cc).

19 § 3. Paragraph (e) of subdivision 1 of section 209 of the tax law, as
20 added by section 5 of part A of chapter 59 of the laws of 2014, is
21 amended to read as follows:

22 (e) At the end of each year, the commissioner shall review the cumula-
23 tive percentage change in the consumer price index. The commissioner
24 shall adjust the receipt thresholds set forth in this subdivision if the
25 consumer price index has changed by ten percent or more since January
26 first, two thousand fifteen, or since the date that the thresholds were
27 last adjusted under this subdivision. The thresholds shall be adjusted
28 to reflect that cumulative percentage change in the consumer price
29 index. The adjusted thresholds shall be rounded to the nearest one thou-
30 sand dollars. As used in this paragraph, "consumer price index" means
31 the consumer price index for all urban consumers (CPI-U) available
32 [form] from the bureau of labor statistics of the United States depart-
33 ment of labor. Any adjustment shall apply to tax periods that begin
34 after the adjustment is made.

35 § 4. The opening paragraph of paragraph (a) of subdivision 5 of
36 section 210-A of the tax law, as amended by section 23 of part T of
37 chapter 59 of the laws of 2015, is amended to read as follows:

38 A financial instrument is a "nonqualified financial instrument" if it
39 is not a qualified financial instrument. A qualified financial instru-
40 ment means a financial instrument that is of a type described in any of
41 clauses (A), (B), (C), (D), (G), (H) or (I) of subparagraph two of this
42 paragraph and that has been marked to market in the taxable year by the
43 taxpayer under section 475 or section 1256 of the internal revenue code.
44 Further, if the taxpayer has in the taxable year marked to market a
45 financial instrument of the type described in any of the clauses (A),
46 (B), (C), (D), (G), (H) or (I) of subparagraph two of this paragraph,
47 then any financial instrument within that type described in the above
48 specified clause or clauses that has not been marked to market by the
49 taxpayer under section 475 or section 1256 of the internal revenue code
50 is a qualified financial instrument in the taxable year. Notwithstanding
51 the two preceding sentences, (i) a loan secured by real property shall
52 not be a qualified financial instrument, (ii) if the only loans that are
53 marked to market by the taxpayer under section 475 or section 1256 of
54 the internal revenue code are loans secured by real property, then no
55 loans shall be qualified financial instruments, [and] (iii) stock that
56 is investment capital as defined in paragraph (a) of subdivision five of

1 section two hundred eight of this article shall not be a qualified
2 financial instrument, and (iv) stock that generates other exempt income
3 as defined in subdivision six-a of section two hundred eight of this
4 article and that is not marked to market under section 475 or section
5 1256 of the internal revenue code shall not constitute a qualified
6 financial instrument with respect to the income from that stock that is
7 described in such subdivision six-a. If a corporation is included in a
8 combined report, the definition of qualified financial instrument shall
9 be determined on a combined basis.

10 § 5. Paragraph (c) of subdivision 7 of section 210-B of the tax law,
11 as added by section 17 of part A of chapter 59 of the laws of 2014, is
12 amended to read as follows:

13 (c) Average number of individuals employed full-time. For the purposes
14 of this subdivision, average number of individuals employed full-time
15 shall be computed by adding the number of such individuals employed by
16 the taxpayer at the end of each quarter during each taxable year or
17 other applicable period and dividing the sum so obtained by the number
18 of such quarters occurring within such taxable year or other applicable
19 period; provided however, except that in computing base year employment,
20 there shall be excluded therefrom any employee with respect to whom a
21 credit provided for under subdivision [six of this section is] nineteen
22 of section two hundred ten of this article, as such subdivision was in
23 effect on December thirty-first, two thousand fourteen, was claimed for
24 the taxable year.

25 § 6. Paragraph (a) of subdivision 9 of section 210-B of the tax law,
26 as added by section 17 of part A of chapter 59 of the laws of 2014, is
27 amended to read as follows:

28 (a) Application of credit. A taxpayer shall be allowed a credit, to be
29 credited against the tax imposed by this article, equal to the amount of
30 the special additional mortgage recording tax paid by the taxpayer
31 pursuant to the provisions of subdivision one-a of section two hundred
32 fifty-three of this chapter [or] on mortgages recorded. Provided, howev-
33 er, no credit shall be allowed with respect to a mortgage of real prop-
34 erty principally improved or to be improved by one or more structures
35 containing in the aggregate not more than six residential dwelling
36 units, each dwelling unit having its own separate cooking facilities,
37 where the real property is located in one or more of the counties
38 comprising the metropolitan commuter transportation area. Provided
39 further, however, no credit shall be allowed with respect to a mortgage
40 of real property principally improved or to be improved by one or more
41 structures containing in the aggregate not more than six residential
42 dwelling units, each dwelling unit having its own separate cooking
43 facilities, where the real property is located in the county of Erie.

44 § 7. Subdivision 45 of section 210-B of the tax law, as added by
45 section 17 of part A of chapter 59 of the laws of 2014, is amended to
46 read as follows:

47 45. Order of credits. [(a)] Credits allowable under this article which
48 cannot be carried over and which are not refundable shall be deducted
49 first. [The credit allowable under subdivision six of this section shall
50 be deducted immediately after the deduction of all credits allowable
51 under this article which cannot be carried over and which are not
52 refundable, whether or not a portion of such credit is refundable.]
53 Credits allowable under this article which can be carried over, and
54 carryovers of such credits, shall be deducted next [after the deduction
55 of the credit allowable under subdivision six of this section], and
56 among such credits, those whose carryover is of limited duration shall

1 be deducted before those whose carryover is of unlimited duration. Cred-
2 its allowable under this article which are refundable [(other than the
3 credit allowable under subdivision six of this section)] shall be
4 deducted last.

5 § 8. Paragraph (a) of subdivision 3 of section 210-C of the tax law,
6 as added by section 18 of part A of chapter 59 of the laws of 2014, is
7 amended to read as follows:

8 (a) Subject to the provisions of paragraph (c) of subdivision two of
9 this section, a taxpayer may elect to treat as its combined group all
10 corporations that meet the ownership requirements described in paragraph
11 (a) of subdivision two of this section (such corporations collectively
12 referred to in this subdivision as the "commonly owned group"). If that
13 election is made, the commonly owned group shall calculate the combined
14 business income, combined capital, and fixed dollar minimum bases of all
15 members of the group in accordance with [paragraph] subdivision four of
16 this [subdivision] section, whether or not that business income or busi-
17 ness capital is from a single unitary business.

18 § 9. Paragraph I of subdivision 1 of section 11-604 of the administra-
19 tive code of the city of New York, as added by chapter 491 of the laws
20 of 2007, is amended to read as follows:

21 I. Notwithstanding any provision of this subdivision to the contrary,
22 for taxable years beginning on or after January first, two thousand
23 seven for any corporation that:

24 (a) has a business allocation percentage for the taxable year, as
25 determined under paragraph (a) of subdivision three of this section, of
26 one hundred percent;

27 (b) has no investment capital or income at any time during the taxable
28 year;

29 (c) has no subsidiary capital or income at any time during the taxable
30 year; and

31 (d) has gross income, as defined in section sixty-one of the internal
32 revenue code, less than two hundred fifty thousand dollars for the taxa-
33 ble year:

34 the tax imposed by subdivision one of section 11-603 of this subchap-
35 ter shall be the greater of the tax on entire net income computed under
36 clause one of subparagraph (a) of paragraph E of this subdivision and
37 the fixed dollar minimum tax specified in clause four of subparagraph
38 (a) of paragraph E of this subdivision.

39 For purposes of this paragraph, for taxable years beginning before
40 January first, two thousand fifteen, any corporation for which an
41 election under subsection (a) of section six hundred sixty of the tax
42 law is not in effect for the taxable year may elect to treat as entire
43 net income the sum of:

44 (i) entire net income as determined under section two hundred eight of
45 the tax law; and

46 (ii) any deductions taken for the taxable year in computing federal
47 taxable income for New York city taxes paid or accrued under this chap-
48 ter.

49 § 10. Subdivision 2 of section 11-651 of the administrative code of
50 the city of New York, as added by section 1 of part D of chapter 60 of
51 the laws of 2015, is amended to read as follows:

52 2. Each reference in the tax law or this code to subchapters two or
53 three of this chapter, or any of the provisions thereof, shall be deemed
54 a reference also to this subchapter, and any of the applicable
55 provisions thereof, where appropriate and with all necessary modifica-
56 tions.

1 § 11. Paragraph (a) of subdivision 4 of section 11-652 of the adminis-
2 trative code of the city of New York, as added by section 1 of part D of
3 chapter 60 of the laws of 2015, is amended to read as follows:

4 (a) The term "investment capital" means investments in stocks that:
5 (i) satisfy the definition of a capital asset under section 1221 of the
6 internal revenue code at all times the taxpayer owned such stocks during
7 the taxable year; (ii) are held by the taxpayer for investment for more
8 than one year; (iii) the dispositions of which are, or would be, treated
9 by the taxpayer as generating long-term capital gains or losses under
10 the internal revenue code; (iv) for stocks acquired on or after January
11 first, two thousand fifteen, at any time after the close of the day in
12 which they are acquired, have never been held for sale to customers in
13 the regular course of business; and (v) before the close of the day on
14 which the stock was acquired, are clearly identified in the taxpayer's
15 records as stock held for investment in the same manner as required
16 under section 1236(a)(1) of the internal revenue code for the stock of a
17 dealer in securities to be eligible for capital gain treatment (whether
18 or not the taxpayer is a dealer of securities subject to section 1236),
19 provided, however, that for stock acquired prior to October first, two
20 thousand fifteen that was not subject to section 1236(a) of the internal
21 revenue code, such identification in the taxpayer's records must occur
22 before October first, two thousand fifteen. Stock in a corporation that
23 is conducting a unitary business with the taxpayer, stock in a corpo-
24 ration that is included in a combined report with the taxpayer pursuant
25 to the commonly owned group election in subdivision three of section
26 11-654.3 of this subchapter, and stock [used] issued by the taxpayer
27 shall not constitute investment capital. For purposes of this subdivi-
28 sion, if the taxpayer owns or controls, directly or indirectly, less
29 than twenty percent of the voting power of the stock of a corporation,
30 that corporation will be presumed to be conducting a business that is
31 not unitary with the business of the taxpayer.

32 § 12. Subparagraph 2 of paragraph (a) of subdivision 18 of section
33 11-654 of the administrative code of the city of New York, as added by
34 section 1 of part D of chapter 60 of the laws of 2015, is amended to
35 read as follows:

36 (2) The amount determined in this subparagraph is the product of (i)
37 the excess of (A) the tax computed under clause (i) of subparagraph one
38 of paragraph (e) of subdivision one of this section, without allowance
39 of any credits allowed by this section, over (B) the tax so computed,
40 determined as if the corporation had no such distributive share or guar-
41 anteed payments with respect to the unincorporated business, and (ii) a
42 fraction, the numerator of which is four and the denominator of which is
43 eight and eighty-five one hundredths, [provided however,] except that in
44 the case of a financial corporation as defined in clause (i) of subpara-
45 graph one of paragraph (e) of subdivision one of this section, such
46 denominator is nine, and in the case of a taxpayer that is subject to
47 paragraph (j) or (k) of subdivision one of this section, such denomina-
48 tor shall be the rate of tax as determined by such paragraph (j) or (k)
49 for the taxable year; [and,] provided[, however,] that the amounts
50 computed in subclauses (A) and (B) of clause (i) of this subparagraph
51 shall be computed with the following modifications:

52 (A) such amounts shall be computed without taking into account any
53 carryforward or carryback by the partner of a net operating loss or a
54 prior net operation loss conversion subtraction;

55 (B) if, prior to taking into account any distributive share or guaran-
56 teed payments from any unincorporated business or any net operating loss

1 carryforward or carryback, the entire net income of the partner is less
2 than zero, such entire net income shall be treated as zero; and

3 (C) if such partner's net total distributive share of income, gain,
4 loss and deductions of, and guaranteed payments from, any unincorporated
5 business is less than zero, such net total shall be treated as zero. The
6 amount determined in this subparagraph shall not be less than zero.

7 § 13. Subparagraph 1 of paragraph (b) of subdivision 18 of section
8 11-654 of the administrative code of the city of New York, as added by
9 section 1 of part D of chapter 60 of the laws of 2015, is amended to
10 read as follows:

11 (1) Notwithstanding anything to the contrary in paragraph (a) of this
12 subdivision, in the case of a corporation that, before the application
13 of this subdivision or any other credit allowed by this section, is
14 liable for the tax on business income under clause (i) of subparagraph
15 one of paragraph (e) of subdivision one of this section, the credit or
16 the sum of the credits that may be taken by such corporation for a taxa-
17 ble year under this subdivision with respect to an unincorporated busi-
18 ness or unincorporated businesses in which it is a partner shall not
19 exceed the tax so computed, without allowance of any credits allowed by
20 this section, multiplied by a fraction the numerator of which is four
21 and the denominator of which is eight and eighty-five one-hundredths
22 [provided, however], except that in the case of a financial corporation
23 as defined in clause (i) of subparagraph one of paragraph (e) of subdi-
24 vision one of this section, such denominator is nine, and in the case of
25 a taxpayer that is subject to paragraph (j) or (k) of subdivision one of
26 this section, such denominator shall be the rate of tax as determined by
27 such paragraph (j) or (k) for the taxable year. If the credit allowed
28 under this subdivision or the sum of such credits exceeds the product of
29 such tax and such fraction, the amount of the excess may be carried
30 forward, in order, to each of the seven immediately succeeding taxable
31 years and, to the extent not previously taken, shall be allowed as a
32 credit in each of such years. In applying the provisions of the preced-
33 ing sentence, the credit determined for the taxable year under paragraph
34 (a) of this subdivision shall be taken before taking any credit carry-
35 forward pursuant to this paragraph and the credit carryforward attribut-
36 able to the earliest taxable year shall be taken before taking a credit
37 carryforward attributable to a subsequent taxable year.

38 § 14. Subparagraph 8 of paragraph (a) of subdivision 21 of section
39 11-654 of the administrative code of the city of New York, as added by
40 section 1 of part D of chapter 60 of the laws of 2015, is amended to
41 read as follows:

42 (8) The credit allowed under this subdivision shall only be allowed
43 for taxable years beginning before January first, two thousand [sixteen]
44 nineteen.

45 § 15. Paragraph (c) of subdivision 2 of section 11-654.2 of the admin-
46 istrative code of the city of New York, as added by section 1 of part D
47 of chapter 60 of the laws of 2015, is amended to read as follows:

48 (c) Receipts from sales of tangible personal property and electricity
49 that are traded as commodities as the term "commodity" is defined in
50 section four hundred seventy-five of the internal revenue code, shall be
51 included in the receipts fraction in accordance with clause [(i)] (ix)
52 of subparagraph two of paragraph (a) of subdivision five of this
53 section.

54 § 16. The opening paragraph of paragraph (a) of subdivision 5 of
55 section 11-654.2 of the administrative code of the city of New York, as

1 added by section 1 of part D of chapter 60 of the laws of 2015, is
2 amended to read as follows:

3 A financial instrument is a "nonqualified financial instrument" if it
4 is not a qualified financial instrument. A qualified financial instru-
5 ment means a financial instrument that is of a type described in any of
6 clause (i), (ii), (iii), (iv), (vii), (viii) or (ix) of subparagraph two
7 of this paragraph and that has been marked to market in the taxable year
8 by the taxpayer under section 475 or section 1256 of the internal reven-
9 ue code. Further, if the taxpayer has in the taxable year marked to
10 market a financial instrument of the type described in any of clause
11 (i), (ii), (iii), (iv), (vii), (viii) or (ix) of subparagraph two of
12 this paragraph, then any financial instrument within that type described
13 in the above specified clause or clauses that has not been marked to
14 market by the taxpayer under section 475 or section 1256 of the internal
15 revenue code is a qualified financial instrument in the taxable year.
16 Notwithstanding the two preceding sentences, (i) a loan secured by real
17 property shall not be a qualified financial instrument, (ii) if the only
18 loans that are marked to market by the taxpayer under section 475 or
19 section 1256 of the internal revenue code are loans secured by real
20 property, then no loans shall be qualified financial instruments, [and]
21 (iii) stock that is investment capital as defined in paragraph (a) of
22 subdivision [4] four of section 11-652 of this subchapter shall not be a
23 qualified financial instrument, and (iv) stock that generates other
24 exempt income as defined in subdivision five-a of section 11-652 of this
25 subchapter and that is not marked to market under section 475 or section
26 1256 of the internal revenue code shall not constitute a qualified
27 financial instrument with respect to the income from that stock that is
28 described in such subdivision five-a. If a corporation is included in a
29 combined report, the definition of qualified financial instrument shall
30 be determined on a combined basis.

31 § 17. This act shall take effect immediately; provided however that
32 sections one, one-a, two, three, four, five, six, seven and eight of
33 this act shall be deemed to have been in full force and effect on the
34 same date and in the same manner as part A of chapter 59 of the laws of
35 2014, took effect, and sections nine, ten, eleven, twelve, thirteen,
36 fourteen, fifteen and sixteen of this act shall be deemed to have been
37 in full force and effect on the same date and in the same manner as part
38 D of chapter 60 of the laws of 2015, took effect.

39

PART Q

40 Section 1. Subdivision 5 of section 183-a of the tax law, as amended
41 by section 61 of part A of chapter 59 of the laws of 2014, is amended to
42 read as follows:

43 5. The report covering the tax surcharge which must be calculated
44 pursuant to this section based upon the tax reportable on the report due
45 by March fifteenth of any year under section one hundred eighty-three of
46 this article, for taxable years beginning before January first, two
47 thousand seventeen, and on the report due by April fifteenth of any year
48 under section one hundred eighty-three of this article, for taxable
49 years beginning on or after January first, two thousand seventeen, shall
50 be filed on or before March fifteenth of the year next succeeding such
51 year, for taxable years beginning before January first, two thousand
52 seventeen, and on or before April fifteenth of the year next succeeding
53 such year, for taxable years beginning on or after January first, two
54 thousand seventeen. An extension pursuant to section one hundred nine-

1 ty-three of this article shall be allowed only if a taxpayer files with
2 the commissioner an application for extension in such form as said
3 commissioner may prescribe by regulation and pays on or before the date
4 of such filing in addition to any other amounts required under this
5 article, either ninety percent of the entire tax surcharge required to
6 be paid under this section for the applicable period, or not less than
7 the tax surcharge shown on the taxpayer's report for the preceding year,
8 if such preceding year consisted of twelve months. The tax surcharge
9 imposed by this section shall be payable to the commissioner in full at
10 the time the report is required to be filed, and such tax surcharge or
11 the balance thereof, imposed on any taxpayer which ceases to exercise
12 its franchise or be subject to the tax surcharge imposed by this section
13 shall be payable to the commissioner at the time the report is required
14 to be filed, provided such tax surcharge of a domestic corporation which
15 continues to possess its franchise shall be subject to adjustment as the
16 circumstances may require; all other tax surcharges of any such taxpay-
17 er, which pursuant to the foregoing provisions of this section would
18 otherwise be payable subsequent to the time such report is required to
19 be filed, shall nevertheless be payable at such time. All of the
20 provisions of this article presently applicable to section one hundred
21 eighty-three of this article are applicable to the tax surcharge imposed
22 by this section except for section one hundred ninety-two of this arti-
23 cle.

24 § 2. Subdivision 4 of section 186-a of the tax law, as amended by
25 chapter 536 of the laws of 1998, is amended to read as follows:

26 4. Every utility subject to tax hereunder shall file, on or before
27 March fifteenth of each year, a return for the year ended on the preced-
28 ing December thirty-first, for taxable years beginning before January
29 first, two thousand sixteen, except that the year ended on December
30 thirty-first, nineteen hundred seventy-six shall be deemed, for the
31 purposes of this subdivision, to have commenced on June first, nineteen
32 hundred seventy-six, and shall file, on or before April fifteenth of
33 each year, a return for the year ended on the preceding December thir-
34 ty-first, for taxable years beginning on or after January first, two
35 thousand sixteen, including any period for which the tax imposed hereby
36 or by any amendment hereof is effective, each of which returns shall
37 state the gross income or gross operating income for the period covered
38 by each such return. Returns shall be filed with the commissioner of
39 taxation and finance on a form to be furnished by the commissioner for
40 such purpose and shall contain such other data, information or matter as
41 the commissioner may require to be included therein. Notwithstanding the
42 foregoing provisions of this subdivision, the commissioner may require
43 any utility to file an annual return, which shall contain any data spec-
44 ified by the commissioner, regardless of whether the utility is subject
45 to tax under this section; and the commissioner may require a landlord
46 selling to a tenant gas, electric, steam, water or refrigeration or
47 furnishing gas, electric, steam, water or refrigerator service, where
48 the same has been subjected to tax under this section on the sale to
49 such landlord, to file, on or before the fifteenth day of March of each
50 year, for taxable years beginning before January first, two thousand
51 sixteen, and on or before the fifteenth day of April of each year, for
52 taxable years beginning on or after January first, two thousand sixteen,
53 an information return for the year ended on the preceding December thir-
54 ty-first, covering such year in such form and containing such data as
55 the commissioner may specify. Every return shall have annexed thereto a
56 certification by the head of the utility making the same, or of the



1 owner or of a co-partner thereof, or of a principal officer of the
2 corporation, if such business be conducted by a corporation, to the
3 effect that the statements contained therein are true.

4 § 3. Subdivision 6 of section 186-e of the tax law, as added by chap-
5 ter 2 of the laws of 1995, is amended to read as follows:

6 6. Returns. Every provider of telecommunication services subject to
7 tax under this section shall file, on or before March fifteenth of each
8 year, for taxable years beginning before January first, two thousand
9 sixteen, and on or before April fifteenth of each year, for taxable
10 years beginning on or after January first, two thousand sixteen, a
11 return for the year ended on the preceding December thirty-first, and
12 pay the tax due, which return shall state the gross receipts for the
13 period covered by each such return and the resale exclusions during such
14 period. Returns shall be filed with the commissioner on a form to be
15 furnished by the commissioner for such purpose and shall contain such
16 other data, information or matter as the commissioner may require to be
17 included therein. Notwithstanding the foregoing provisions of this
18 subdivision, the commissioner may require any provider of telecommuni-
19 cation services to file an annual return, which shall contain any data
20 specified by the commissioner, regardless of whether such provider is
21 subject to tax under this section. Every return shall have annexed ther-
22 eto a certification by the head of the provider of telecommunication
23 services making the same, or of the owner or of a partner or member
24 thereof, or of a principal officer of the corporation, if such business
25 be conducted by a corporation, to the effect that the statements
26 contained therein are true.

27 § 4. Subdivision 1 of section 192 of the tax law, as amended by chap-
28 ter 96 of the laws of 1976, is amended to read as follows:

29 1. Corporations paying franchise tax. Every corporation, association
30 or joint-stock company liable to pay a tax under section one hundred
31 eighty-three or one hundred eighty-five of this chapter shall, on or
32 before March fifteenth in each year, for taxable years beginning before
33 January first, two thousand seventeen, and on or before April fifteenth
34 in each year, for taxable years beginning on or after January first, two
35 thousand seventeen, make a written report to the [tax commission]
36 commissioner of its condition at the close of its business on the
37 preceding December thirty-first, stating the amount of its authorized
38 capital stock, the amount of stock paid in, the date and rate per centum
39 of each dividend paid by it during the year ending with such day, the
40 entire amount of the capital of such corporation, and the capital
41 employed by it in this state during such year.

42 § 5. Subdivision 1 of section 192 of the tax law, as amended by
43 section 26 of part S of chapter 59 of the laws of 2014, is amended to
44 read as follows:

45 1. Corporations paying franchise tax. Every corporation, association
46 or joint-stock company liable to pay a tax under section one hundred
47 eighty-three of this chapter shall, on or before March fifteenth in each
48 year, for taxable years beginning before January first, two thousand
49 seventeen, and on or before April fifteenth in each year, for taxable
50 years beginning on or after January first, two thousand seventeen, make
51 a written report to the [tax commission] commissioner of its condition
52 at the close of its business on the preceding December thirty-first,
53 stating the amount of its authorized capital stock, the amount of stock
54 paid in, the date and rate per centum of each dividend paid by it during
55 the year ending with such day, the entire amount of the capital of such

1 corporation, and the capital employed by it in this state during such
2 year.

3 § 6. Subdivision 2 of section 192 of the tax law, as amended by chap-
4 ter 96 of the laws of 1976, is amended to read as follows:

5 2. Transportation and transmission corporations. Every transportation
6 or transmission corporation, joint-stock company or association liable
7 to pay an additional franchise tax under section one hundred eighty-four
8 of this chapter, shall also, on or before March fifteenth of each year,
9 make a written report to the [tax commission] commissioner of the amount
10 of its gross earnings subject to the tax imposed by said section for the
11 year ended on the preceding December thirty-first, for taxable years
12 beginning before January first, two thousand sixteen, except that the
13 year ended on December thirty-first, nineteen hundred seventy-six shall
14 be deemed, for the purposes of this subdivision, to have commenced on
15 July first, nineteen hundred seventy-six, and shall also, on or before
16 April fifteenth of each year, make a written report to the commissioner
17 of the amount of its gross earnings subject to the tax imposed by said
18 section for the year ended on the preceding December thirty-first, for
19 taxable years beginning on or after January first, two thousand sixteen.
20 Any such corporation, joint-stock company or association which ceases to
21 be subject to the tax imposed by section one hundred eighty-four of this
22 chapter by reason of a liquidation, dissolution, merger or consolidation
23 with any other corporation, or any other cause, shall, on the date of
24 such cessation or at such other time as the [tax commission] commis-
25 er may require, make a written report to the [tax commission] commis-
26 sioner of the amount of its gross earnings subject to the tax imposed by
27 section one hundred eighty-four of this chapter for any period for which
28 no report was theretofore filed. Any corporation, joint-stock company or
29 association subject to a tax upon dividends under said section one
30 hundred eighty-four of this chapter shall also include in its report
31 under this subdivision required to be filed a statement of the author-
32 ized capital of the company, the amount of capital stock issued, and the
33 amount of dividends of every nature paid during the year ended on the
34 preceding December thirty-first. As to tax payers subject to such tax
35 upon dividends under said section one hundred eighty-four of this chap-
36 ter, the year ended on December thirty-first, nineteen hundred seventy-
37 six shall be deemed, for the purposes of this subdivision, to have
38 commenced on July first, nineteen hundred seventy-six.

39 § 7. Paragraph (a) of subdivision 1 of section 197-b of the tax law,
40 as amended by section 1 of part G-1 of chapter 57 of the laws of 2009,
41 is amended to read as follows:

42 (a) For taxable years beginning on or after January first, nineteen
43 hundred seventy-seven, every taxpayer subject to tax under section [one
44 hundred eighty-two, one hundred eighty-two-a, former section one hundred
45 eighty-two-b,] one hundred eighty-four, one hundred eighty-six-a or one
46 hundred eighty-six-e of this article, must pay in each year an amount
47 equal to (i) twenty-five percent of the tax imposed under each of such
48 sections for the second preceding taxable year if the second preceding
49 year's tax exceeded one thousand dollars but was equal to or less than
50 one hundred thousand dollars, or (ii) forty percent of the tax imposed
51 under any of these sections for the second preceding taxable year if the
52 second preceding year's tax exceeded one hundred thousand dollars. If
53 the second preceding year's tax under section one hundred eighty-four,
54 one hundred eighty-six-a or one hundred eighty-six-e of this article
55 exceeded one thousand dollars and the taxpayer is subject to the tax
56 surcharge imposed by section one hundred eighty-four-a or one hundred

1 eighty-six-c of this article, respectively, the taxpayer must also pay
2 in each such year an amount equal to (i) twenty-five percent of the tax
3 surcharge imposed under such section for the second preceding taxable
4 year if the second preceding year's tax exceeded one thousand dollars
5 but was equal to or less than one hundred thousand dollars, or (ii)
6 forty percent of the tax surcharge imposed under that section for the
7 second preceding taxable year if the second preceding year's tax
8 exceeded one hundred thousand dollars. The amount or amounts must be
9 paid with the return or report required to be filed with respect to the
10 tax or tax surcharge for the preceding taxable year or with an applica-
11 tion for extension of the time for filing the return or report, for
12 taxable years beginning before January first, two thousand sixteen. The
13 amount or amounts that must be paid with respect to the tax or tax
14 surcharge for the second preceding year must be paid on or before the
15 fifteenth day of the third month following the close of the taxable
16 year, for taxable years beginning on or after January first, two thou-
17 sand sixteen.

18 § 7-a. Subdivision 6 of section 197-b of the tax law, as amended by
19 section 9 of part Y of chapter 63 of the laws of 2000, is amended to
20 read as follows:

21 6. As used in this section, "the second preceding year's tax" means
22 the tax imposed upon the taxpayer by section [one hundred eighty-two,
23 former section one hundred eighty-two-b,] one hundred eighty-four, one
24 hundred eighty-six-a or one hundred eighty-six-e of this article for the
25 second preceding taxable year.

26 § 8. Paragraph (a) of subdivision 1 of section 209 of the tax law, as
27 amended by section 5 of part A of chapter 59 of the laws of 2014, is
28 amended to read as follows:

29 (a) For the privilege of exercising its corporate franchise, or of
30 doing business, or of employing capital, or of owning or leasing proper-
31 ty in this state in a corporate or organized capacity, or of maintaining
32 an office in this state, or of deriving receipts from activity in this
33 state, for all or any part of each of its fiscal or calendar years,
34 every domestic or foreign corporation, except corporations specified in
35 subdivision four of this section, shall annually pay a franchise tax,
36 upon the basis of its business income base, or upon such other basis as
37 may be applicable as hereinafter provided, for such fiscal or calendar
38 year or part thereof, on a report which shall be filed, except as here-
39 inafter provided, on or before the fifteenth day of March next succeed-
40 ing the close of each such year, for taxable years beginning before
41 January first, two thousand sixteen, and on or before the fifteenth day
42 of April next succeeding the close of each such year, for taxable years
43 beginning on or after January first, two thousand sixteen, or, in the
44 case of a corporation which reports on the basis of a fiscal year, with-
45 in two and one-half months after the close of such fiscal year, for
46 taxable years beginning before January first, two thousand sixteen, and
47 on or before the fifteenth day of the fourth month after the close of
48 such fiscal year, for taxable years beginning on or after January first,
49 two thousand sixteen, and shall be paid as hereinafter provided.

50 § 9. Subdivision 1 of section 211 of the tax law, as amended by chap-
51 ter 436 of the laws of 1974, the opening paragraph as amended by chapter
52 190 of the laws of 1990 and the second undesignated paragraph as amended
53 by chapter 542 of the laws of 1985, is amended to read as follows:

54 1. Every taxpayer[, as well as every foreign corporation having an
55 employee, including any officer, within the state,] shall annually on or
56 before March fifteenth, for taxable years beginning before January

1 first, two thousand sixteen, and annually on or before April fifteenth,
2 for taxable years beginning on or after January first, two thousand
3 sixteen, transmit to the [tax commission] commissioner a report in a
4 form prescribed by [it] the commissioner (except that a corporation
5 which reports on the basis of a fiscal year shall transmit its report
6 within two and one-half months after the close of its fiscal year, for
7 taxable years beginning before January first, two thousand sixteen, and
8 on or before the fifteenth day of the fourth month after the close of
9 its fiscal year, for taxable years beginning on or after January first,
10 two thousand sixteen, and except, also, that a corporation which is a
11 DISC shall transmit its report on or before the fifteenth day of the
12 ninth month following the close of its calendar or fiscal year), setting
13 forth such information as the [tax commission] commissioner may
14 prescribe and every taxpayer which ceases to exercise its franchise or
15 to be subject to the tax imposed by this article shall transmit to the
16 [tax commission] commissioner a report on the date of such cessation or
17 at such other time as the [tax commission] commissioner may require
18 covering each year or period for which no report was theretofore filed.
19 In the case of a termination year of an S corporation, the S short year
20 and the C short year shall be treated as separate short taxable years,
21 provided, however, the due date of the report for the S short year shall
22 be the same as the due date of the report for the C short year. Every
23 taxpayer shall also transmit such other reports and such facts and
24 information as the [tax commission] commissioner may require in the
25 administration of this article. The [tax commission] commissioner may
26 grant a reasonable extension of time for filing reports whenever good
27 cause exists.

28 An automatic extension of six months for the filing of its annual
29 report shall be allowed any taxpayer if, within the time prescribed by
30 the preceding paragraph, such taxpayer files with the [tax commission]
31 commissioner an application for extension in such form as [said commis-
32 sion] the commissioner may prescribe by regulation and pays on or before
33 the date of such filing the amount properly estimated as its tax.

34 § 10. Subdivision (a) of section 213-b of the tax law, as amended by
35 section 2 of part G-1 of chapter 57 of the laws of 2009, is amended to
36 read as follows:

37 (a) First installments for certain taxpayers.--In privilege periods of
38 twelve months ending at any time during the calendar year nineteen
39 hundred seventy and thereafter, every taxpayer subject to the tax
40 imposed by section two hundred nine of this chapter must pay with the
41 report required to be filed for the preceding privilege period, or with
42 an application for extension of the time for filing the report, for
43 taxable years beginning before January first, two thousand sixteen, and
44 must pay on or before the fifteenth day of the third month of such priv-
45 ilege periods, for taxable years beginning on or after January first,
46 two thousand sixteen, an amount equal to (i) twenty-five percent of the
47 second preceding year's tax if the second preceding year's tax exceeded
48 one thousand dollars but was equal to or less than one hundred thousand
49 dollars, or (ii) forty percent of the second preceding year's tax if the
50 second preceding year's tax exceeded one hundred thousand dollars. If
51 the second preceding year's tax under section two hundred nine of this
52 chapter exceeded one thousand dollars and the taxpayer is subject to the
53 tax surcharge imposed by section two hundred nine-B of this chapter, the
54 taxpayer must also pay with the tax surcharge report required to be
55 filed for the second preceding privilege period, or with an application
56 for extension of the time for filing the report, for taxable years

1 beginning before January first, two thousand sixteen, and must pay on or
2 before the fifteenth day of the third month of such privilege periods,
3 for taxable years beginning on or after January first, two thousand
4 sixteen, an amount equal to (i) twenty-five percent of the tax surcharge
5 imposed for the second preceding year if the second preceding year's tax
6 was equal to or less than one hundred thousand dollars, or (ii) forty
7 percent of the tax surcharge imposed for the second preceding year if
8 the second preceding year's tax exceeded one hundred thousand dollars.
9 Provided, however, that every taxpayer that is an S corporation must pay
10 with the report required to be filed for the preceding privilege period,
11 or with an application for extension of the time for filing the report,
12 an amount equal to (i) twenty-five percent of the preceding year's tax
13 if the preceding year's tax exceeded one thousand dollars but was equal
14 to or less than one hundred thousand dollars, or (ii) forty percent of
15 the preceding year's tax if the preceding year's tax exceeded one
16 hundred thousand dollars. If the preceding year's tax under section two
17 hundred nine of this article exceeded one thousand dollars and such
18 taxpayer that is an S corporation is subject to the tax surcharge
19 imposed by section two hundred nine-B of this article, the taxpayer must
20 also pay with the tax surcharge report required to be filed for the
21 preceding privilege period, or with an application for extension of the
22 time for filing the report, an amount equal to (i) twenty-five percent
23 of the tax surcharge imposed for the preceding year if the preceding
24 year's tax was equal equal to or less than one hundred thousand dollars,
25 or (ii) forty percent of the tax surcharge imposed for the preceding
26 year if the preceding year's tax exceeded one hundred thousand dollars.

27 § 10-a. The subdivision heading of subdivision (d) of section 213-b of
28 the tax law, as amended by chapter 166 of the laws of 1991, is amended
29 to read as follows:

30 Application of installments based on the second preceding year's
31 tax.--

32 § 10-b. The subdivision heading of subdivision (e) of section 213-b of
33 the tax law, as amended by chapter 166 of the laws of 1991, is amended
34 to read as follows:

35 Interest on certain installments based on the second preceding year's
36 tax.--

37 § 11. Subdivision (f) of section 213-b of the tax law, as amended by
38 chapter 613 of the laws of 1976, is amended to read as follows:

39 (f) The preceding year's tax and the second preceding year's tax
40 defined.-- As used in this section, "the preceding year's tax" means the
41 tax imposed upon the taxpayer by section two hundred nine of this [chap-
42 ter] article for the preceding calendar or fiscal year, or, for purposes
43 of computing the first installment of estimated tax when an application
44 has been filed for extension of the time for filing the report required
45 to be filed for such preceding calendar or fiscal year, the amount prop-
46 erly estimated pursuant to section two hundred thirteen of this [chap-
47 ter] article as the tax imposed upon the taxpayer for such calendar or
48 fiscal year. As used in this section, "the second preceding year's tax"
49 means the tax imposed upon the taxpayer by section two hundred nine of
50 this article for the second preceding calendar or fiscal year.

51 § 12. Paragraph 1 of subsection (c) of section 658 of the tax law, as
52 amended by chapter 760 of the laws of 1992, is amended to read as
53 follows:

54 (1) Partnerships. Every partnership having a resident partner or
55 having any income derived from New York sources, determined in accord-
56 ance with the applicable rules of section six hundred thirty-one as in

1 the case of a nonresident individual, shall make a return for the taxa-
2 ble year setting forth all items of income, gain, loss and deduction and
3 such other pertinent information as the commissioner may by regulations
4 and instructions prescribe. Such return shall be filed on or before the
5 fifteenth day of the fourth month following the close of each taxable
6 year, for taxable years beginning before January first, two thousand
7 sixteen, and on or before the fifteenth day of the third month following
8 the close of each taxable year, for taxable years beginning on or after
9 January first, two thousand sixteen, except that the due date for the
10 return of a partnership consisting entirely of nonresident aliens shall
11 be the date prescribed for the filing of its federal partnership return
12 for the taxable year. For purposes of this paragraph, "taxable year"
13 means a year or a period which would be a taxable year of the partner-
14 ship if it were subject to tax under this article.

15 § 13. Subparagraph (A) of paragraph 3 of subsection (c) of section 658
16 of the tax law, as amended by section 18 of part U of chapter 61 of the
17 laws of 2011, is amended to read as follows:

18 (A) Every subchapter K limited liability company, every limited
19 liability company that is a disregarded entity for federal income tax
20 purposes, and every partnership which has any income derived from New
21 York sources, determined in accordance with the applicable rules of
22 section six hundred thirty-one of this article as in the case of a
23 nonresident individual, shall[, within sixty days after the last day of
24 the taxable year,] on or before the fifteenth day of the third month
25 following the close of each taxable year make a payment of a filing fee.
26 The amount of the filing fee is the amount set forth in subparagraph (B)
27 of this paragraph. The minimum filing fee is twenty-five dollars for
28 taxable years beginning in two thousand eight and thereafter. Limited
29 liability companies that are disregarded entities for federal income tax
30 purposes must pay a filing fee of twenty-five dollars for taxable years
31 beginning on or after January first, two thousand eight.

32 § 13-a. Paragraph 1 of subsection (c) of section 1085 of the tax law,
33 as amended by section 7 of subpart D of part V-1 of chapter 57 of the
34 laws of 2009, is amended to read as follows:

35 (1) If any taxpayer fails to file a declaration of estimated tax under
36 article nine-A of this chapter, or fails to pay all or any part of an
37 amount which is applied as an installment against such estimated tax, it
38 shall be deemed to have made an underpayment of estimated tax. There
39 shall be added to the tax for the taxable year an amount at the under-
40 payment rate set by the commissioner pursuant to section one thousand
41 ninety-six of this article, or if no rate is set, at the rate of seven
42 and one-half percent per annum upon the amount of the underpayment for
43 the period of the underpayment but not beyond the fifteenth day of the
44 third month following the close of the taxable year. The amount of the
45 underpayment shall be, with respect to any installment of estimated tax
46 computed on the basis of either the preceding year's tax or the second
47 preceding year's tax, the excess of the amount required to be paid over
48 the amount, if any, paid on or before the last day prescribed for such
49 payment or, with respect to any other installment of estimated tax, the
50 excess of the amount of the installment which would be required to be
51 paid if the estimated tax were equal to ninety-one percent of the tax
52 shown on the return for the taxable year (or if no return was filed,
53 ninety-one percent of the tax for such year) over the amount, if any, of
54 the installment paid on or before the last day prescribed for such
55 payment. In any case in which there would be no underpayment if "eighty
56 percent" were substituted for "ninety-one percent" each place it appears

1 in this subsection, the addition to the tax shall be equal to seventy-
2 five percent of the amount otherwise determined. No underpayment shall
3 be deemed to exist with respect to a declaration or installment other-
4 wise due on or after the termination of existence of the taxpayer.

5 § 14. Subsection (i) of section 1087 of the tax law, as added by chap-
6 ter 188 of the laws of 1964, is amended to read as follows:

7 (i) Prepaid tax.--For purposes of this section, any tax paid by the
8 taxpayer before the last day prescribed for its payment (including any
9 amount paid by the taxpayer as estimated tax for a taxable year) shall
10 be deemed to have been paid by it on the fifteenth day of the third
11 month following the close of the taxable year the income of which is the
12 basis for tax under article nine-a, [nine-b or nine-c,] or on the last
13 day prescribed in article nine for the filing of a final return for such
14 taxable year, or portion thereof, determined in all cases without regard
15 to any extension of time granted the taxpayer, for taxable years begin-
16 ning before January first, two thousand sixteen, and on the fifteenth
17 day of the fourth month following the close of the taxable year the
18 income of which is the basis for tax under article nine-a, or on the
19 last day prescribed in article nine for the filing of a final return for
20 such taxable year, or portion thereof, determined in all cases without
21 regard to any extension of time granted the taxpayer, for taxable years
22 beginning on or after January first, two thousand sixteen.

23 § 15. Paragraph 1 of subdivision (a) of section 1514 of the tax law,
24 as amended by section 4 of part G-1 of chapter 57 of the laws of 2009,
25 is amended to read as follows:

26 (1) Except as otherwise provided in paragraph two of this subdivision,
27 for taxable years beginning on or after January first, nineteen hundred
28 seventy-six, every taxpayer subject to tax under this article must pay
29 in each year an amount equal to (i) twenty-five percent of the tax
30 imposed under this article for the second preceding taxable year if the
31 second preceding year's tax exceeded one thousand dollars but was equal
32 to or less than one hundred thousand dollars, or (ii) forty percent of
33 the tax imposed under this article for the second preceding taxable year
34 if the second preceding year's tax exceeded one hundred thousand
35 dollars. If the second preceding year's tax exceeded one thousand
36 dollars and the taxpayer is subject to the tax surcharge imposed by
37 section fifteen hundred five-a of this article, the taxpayer must also
38 pay an amount equal to (i) twenty-five percent of the tax surcharge
39 imposed under section fifteen hundred five-a of this article for the
40 second preceding taxable year if the second preceding year's tax was
41 equal to or less than one hundred thousand dollars, or (ii) forty
42 percent of the tax surcharge imposed for the second preceding taxable
43 year if the second preceding year's tax exceeded one hundred thousand
44 dollars.

45 § 15-a. Paragraph 2 of subdivision (a) of section 1514 of the tax law,
46 as added by section 89 of part A of chapter 389 of the laws of 1997, is
47 amended to read as follows:

48 (2) For taxable years beginning on or after January first, nineteen
49 hundred ninety-nine, every taxpayer subject to tax under paragraph one
50 of subdivision (b) of section fifteen hundred ten of this article shall
51 pay in each such year an amount equal to forty percent of the tax
52 imposed under such article for the second preceding taxable year, if
53 such second preceding year's tax exceeded one thousand dollars. If such
54 second preceding year's tax exceeded one thousand dollars and such
55 taxpayer is subject to the tax surcharge imposed by section fifteen
56 hundred five-a of this article, such taxpayer shall also pay an amount

1 equal to forty percent of the tax surcharge imposed under section
2 fifteen hundred five-a of this article for the second preceding taxable
3 year.

4 § 15-b. Paragraph 3 of subdivision (a) of section 1514 of the tax law,
5 as amended by section 89 of part A of chapter 389 of the laws of 1997,
6 is amended to read as follows:

7 (3) Such amount or amounts described in paragraphs one and two of this
8 subdivision shall be paid with the return required to be filed with
9 respect to such tax or tax surcharge for [such] the preceding taxable
10 year or with an application for extension of the time for filing such
11 return, for taxable years beginning before January first, two thousand
12 sixteen, and shall be paid on or before the fifteenth day of the third
13 month of each taxable year, for taxable years beginning on or after
14 January first, two thousand sixteen.

15 § 15-c. The paragraph heading of paragraph 1 of subdivision (d) of
16 section 1514 of the tax law, as amended by chapter 166 of the laws of
17 1991 and such paragraph as designated by section 5 of part L3 of chapter
18 62 of the laws of 2003, is amended to read as follows:

19 Application of first installments based on second preceding year's
20 tax.

21 § 15-d. The subdivision heading of subdivision (e) of section 1514 of
22 the tax law, as amended by chapter 166 of the laws of 1991, is amended
23 to read as follows:

24 Interest on certain installments based on the second preceding year's
25 tax.

26 § 16. Subdivision (f) of section 1514 of the tax law, as amended by
27 section 26 of part H3 of chapter 62 of the laws of 2003, is amended to
28 read as follows:

29 (f) The second preceding year's tax defined. As used in this section,
30 "the second preceding year's tax" means, for taxpayers subject to tax
31 under subdivision (b) of section fifteen hundred ten of this article,
32 the taxes imposed upon the taxpayer by sections fifteen hundred one and
33 fifteen hundred ten of this article from the second preceding taxable
34 year or as otherwise determined by subdivision (b) of section fifteen
35 hundred five of this article, and for taxpayers subject to tax under
36 section fifteen hundred two-a of this article, the tax imposed upon the
37 taxpayer by such section fifteen hundred two-a of this article from the
38 second preceding year[, or for purposes of computing the first install-
39 ment of estimated tax when an application has been filed for extension
40 of the time for filing the return required to be filed for such preced-
41 ing taxable year, the amount properly estimated pursuant to paragraph
42 one of subdivision (b) of section fifteen hundred sixteen of this arti-
43 cle as the tax imposed upon the taxpayer for such taxable year].

44 § 17. Subdivision (a) of section 1515 of the tax law, as added by
45 chapter 649 of the laws of 1974 and as further amended by section 104 of
46 part A of chapter 62 of the laws of 2011, is amended to read as follows:

47 (a) Every taxpayer and every other foreign and alien insurance corpo-
48 ration having an employee, including any officer, in this state or
49 having an agent or representative in this state, shall annually, on or
50 before the fifteenth day of the third month following the close of its
51 taxable year, for taxable years beginning before January first, two
52 thousand sixteen, and on or before the fifteenth day of the fourth month
53 following the close of its taxable year, for taxable years beginning on
54 or after January first, two thousand sixteen, transmit to the [tax
55 commission] commissioner a return in a form prescribed by [it] the
56 commissioner setting forth such information as the [tax commission]

1 commissioner may prescribe and every taxpayer which ceases to exercise
2 its franchise or to be subject to the tax imposed by this article shall
3 transmit to the [tax commission] commissioner a return on the date of
4 such cessation or at such other time as the [tax commission] commission-
5 er may require covering each year or period for which no return was
6 theretofore filed. A copy of each return required under this subdivision
7 shall also be transmitted to the superintendent of financial services at
8 or before the times specified for filing such returns with the [tax
9 commission] commissioner.

10 § 18. Subdivisions (a) and (b) of section 11-514 of the administrative
11 code of the city of New York, subdivision (a) as amended by chapter 183
12 of the laws of 2009, are amended to read as follows:

13 (a) General. [On or before the fifteenth day of the fourth month
14 following the close of a taxable year, an] An unincorporated business
15 income tax return shall be made and filed, and the balance of any tax
16 shown on the face of such return, not previously paid as installments of
17 estimated tax, shall be paid, on or before the fifteenth day of the
18 fourth month following the close of a taxable year for taxable years
19 beginning before January first, two thousand sixteen, and on or before
20 the fifteenth day of the third month following the close of a taxable
21 year for taxable years beginning on or after January first, two thousand
22 sixteen:

23 (1) by or for every unincorporated business, for taxable years begin-
24 ning after nineteen hundred eighty-six but before nineteen hundred nine-
25 ty-seven, having unincorporated business gross income, determined for
26 purposes of this subdivision without any deduction for the cost of goods
27 sold or services performed, of more than ten thousand dollars, or having
28 any amount of unincorporated business taxable income;

29 (2) by or for every partnership, for taxable years beginning after
30 nineteen hundred ninety-six but before two thousand nine, having unin-
31 corporated business gross income, determined for purposes of this subdivi-
32 sion without any deduction for the cost of goods sold or services
33 performed, of more than twenty-five thousand dollars, or having unincor-
34 porated business taxable income of more than fifteen thousand dollars;

35 (3) by or for every unincorporated business other than a partnership,
36 for taxable years beginning after nineteen hundred ninety-six but before
37 two thousand nine, having unincorporated business gross income, deter-
38 mined for purposes of this subdivision without any deduction for the
39 cost of goods sold or services performed, of more than seventy-five
40 thousand dollars, or having unincorporated business taxable income of
41 more than thirty-five thousand dollars; and

42 (4) by or for every unincorporated business, for taxable years begin-
43 ning after two thousand eight, having unincorporated business gross
44 income, determined for purposes of this subdivision without any
45 deduction for the cost of goods sold or services performed, of more than
46 ninety-five thousand dollars.

47 (b) Decedents. The return for any deceased individual shall be made
48 and filed by his or her executor, administrator, or other person charged
49 with his or her property. If a final return of a decedent is for a frac-
50 tional part of a year, the due date of such return shall be, for taxable
51 years beginning before January first, two thousand sixteen, the
52 fifteenth day of the fourth month following the close of the twelve-
53 month period [which] that began with the first day of such fractional
54 part of the year, and, for taxable years beginning on or after January
55 first, two thousand sixteen, the fifteenth day of the third month

1 following the close of the twelve-month period that began with the first
2 day of such fractional part of the year.

3 § 19. Subdivision (i) of section 11-527 of the administrative code of
4 the city of New York is amended to read as follows:

5 (i) Prepaid tax. For purposes of this section, any tax paid by the
6 taxpayer before the last day prescribed for its payment and any amount
7 paid by the taxpayer as estimated tax for a taxable year shall be deemed
8 to have been paid by the taxpayer, for taxable years beginning before
9 January first, two thousand sixteen, on the fifteenth day of the fourth
10 month following the close of his or her taxable year with respect to
11 which such amount constitutes a credit or payment, and, for taxable
12 years beginning on or after January first, two thousand sixteen, on the
13 fifteenth day of the third month following the close of his or her taxa-
14 ble year with respect to which such amount constitutes a credit or
15 payment.

16 § 20. Paragraph (a) of subdivision 1 of section 11-653 of the adminis-
17 trative code of the city of New York, as added by section 1 of part D of
18 chapter 60 of the laws of 2015, is amended to read as follows:

19 (a) For the privilege of doing business, or of employing capital, or
20 of owning or leasing property in the city in a corporate or organized
21 capacity, or of maintaining an office in the city, for all or any part
22 of each of its fiscal or calendar years, every domestic or foreign
23 corporation, except corporations specified in subdivision four of this
24 section, shall annually pay a tax, upon the basis of its business
25 income, or upon such other basis as may be applicable as hereinafter
26 provided, for such fiscal or calendar year or part thereof, on a report
27 [which] that shall be filed, except as hereinafter provided, for taxable
28 years beginning before January first, two thousand sixteen, on or before
29 the fifteenth day of March next succeeding the close of each such calen-
30 dar year, or, in the case of a taxpayer [which] that reports on the
31 basis of a fiscal year, within two and one-half months after the close
32 of each such fiscal year, and for taxable years beginning on or after
33 January first, two thousand sixteen, on or before the fifteenth day of
34 April next succeeding the close of each such calendar year, or, in the
35 case of a taxpayer that reports on the basis of a fiscal year, within
36 three and one-half months after the close of each such fiscal year, and
37 shall be paid as hereinafter provided.

38 § 21. Subdivision 1 of section 11-655 of the administrative code of
39 the city of New York, as added by section 1 of part D of chapter 60 of
40 the laws of 2015, is amended to read as follows:

41 1. Every corporation having an officer, agent or representative within
42 the city, shall, annually on or before March fifteenth for taxable years
43 beginning before January first, two thousand sixteen, and annually on or
44 before April fifteenth for taxable years beginning on or after January
45 first, two thousand sixteen, transmit to the commissioner of finance a
46 report, in a form prescribed by the commissioner of finance [(except
47 that a corporation which reports on the basis of a fiscal year shall
48 transmit its report within two and one-half months after the close of
49 its fiscal year)], setting forth such information as the commissioner of
50 finance may prescribe, [and every] except that a corporation that
51 reports on the basis of a fiscal year shall transmit such report, for
52 taxable years beginning before January first, two thousand sixteen,
53 within two and one-half months after the close of its fiscal year, and,
54 for taxable years beginning after January first, two thousand sixteen,
55 within three and one-half months after the close of its fiscal year.
56 Every taxpayer [which] that ceases to do business in the city or to be



1 subject to the tax imposed by this subchapter shall transmit to the
2 commissioner of finance a report on the date of such cessation or at
3 such other time as the commissioner of finance may require covering each
4 year or period for which no report was theretofore filed. Every taxpayer
5 shall also transmit such other reports and such facts and information as
6 the commissioner of finance may require in the administration of this
7 subchapter. The commissioner of finance may grant a reasonable extension
8 of time for filing reports whenever good cause exists.

9 An automatic extension of six months for the filing of its annual
10 report shall be allowed any taxpayer if, within the time prescribed by
11 the preceding paragraph, whichever is applicable, such taxpayer files
12 with the commissioner of finance an application for extension in such
13 form as the commissioner of finance may prescribe by regulation and pays
14 on or before the date of such filing the amount properly estimated as
15 its tax.

16 § 22. Subdivision 1 of section 11-658 of the administrative code of
17 the city of New York, as added by section 1 of part D of chapter 60 of
18 the laws of 2015, is amended to read as follows:

19 1. [Every] For taxable years beginning before January first, two thou-
20 sand sixteen, every taxpayer subject to the tax imposed by section
21 11-653 of this subchapter shall pay with the report required to be filed
22 for the preceding privilege period, if any, or with an application for
23 extension of the time and filing such report, an amount equal to twen-
24 ty-five per centum of the preceding year's tax if such preceding year's
25 tax exceeded one thousand dollars. For taxable years beginning on or
26 after January first, two thousand sixteen, every taxpayer subject to the
27 tax imposed by section 11-653 of this subchapter shall pay on or before
28 the fifteenth day of March next succeeding the close of each such calen-
29 dar year, or, in the case of a taxpayer that reports on the basis of a
30 fiscal year, within two and one-half months after the close of each such
31 fiscal year an amount equal to twenty-five per centum of the second
32 preceding year's tax if the second preceding year's tax exceeded one
33 thousand dollars.

34 § 23. Subdivision 6 of section 11-658 of the administrative code of
35 the city of New York, as added by section 1 of part D of chapter 60 of
36 the laws of 2015, is amended to read as follows:

37 6. As used in this section, "the preceding year's tax" means the tax
38 imposed upon the taxpayer by section 11-653 of this subchapter for the
39 preceding calendar or fiscal year, or, for purposes of computing the
40 first installment of estimated tax when either the mandatory first
41 installment is paid pursuant to subdivision one of this section or an
42 application has been filed for extension of the time for filing the
43 report required to be filed for such preceding calendar or fiscal year,
44 the amount properly estimated pursuant to section 11-657 of this
45 subchapter as the tax imposed upon the taxpayer for such calendar or
46 fiscal year. As used in this section, "the second preceding year's tax"
47 means the tax imposed upon the taxpayer by section 11-653 of this
48 subchapter for the second preceding calendar or fiscal year.

49 § 24. This act shall take effect immediately, provided, however, that
50 sections one and four of this act shall apply to taxable years beginning
51 on or after January 1, 2017 and provided, further, that section five of
52 this act shall take effect on the same date and in the same manner as
53 section 26 of part S of chapter 59 of the laws of 2014 takes effect, and
54 that section five of this act shall apply to taxable years beginning on
55 or after January 1, 2018, and provided, further, that sections seven,
56 seven-a, ten, eleven, thirteen-a, fifteen, fifteen-a, fifteen-c,

1 fifteen-d, sixteen, twenty-two and twenty-three of this act shall, to
2 the extent that such sections refer to the second preceding taxable year
3 and the second preceding year's tax, apply to the amount or amounts due
4 to be paid on or after March 15, 2017.

5 PART R

6 Intentionally Omitted

7 PART S

8 Intentionally Omitted

9 PART T

10 Intentionally Omitted

11 PART U

12 Section 1. Section 19 of Part W-1 of chapter 109 of the laws of 2006
13 amending the tax law and other laws relating to providing exemptions,
14 reimbursements and credits from various taxes for certain alternative
15 fuels, as amended by section 1 of part V of chapter 59 of the laws of
16 2014, is amended to read as follows:

17 § 19. This act shall take effect immediately; provided, however, that
18 sections one through thirteen of this act shall take effect September 1,
19 2006 and shall be deemed repealed on September 1, [2016] 2021 and such
20 repeal shall apply in accordance with the applicable transitional
21 provisions of sections 1106 and 1217 of the tax law, and shall apply to
22 sales made, fuel compounded or manufactured, and uses occurring on or
23 after such date, and with respect to sections seven through eleven of
24 this act, in accordance with applicable transitional provisions of
25 sections 1106 and 1217 of the tax law; provided, however, that the
26 commissioner of taxation and finance shall be authorized on and after
27 the date this act shall have become a law to adopt and amend any rules
28 or regulations and to take any steps necessary to implement the
29 provisions of this act; provided further that sections fourteen through
30 sixteen of this act shall take effect immediately and shall apply to
31 taxable years beginning on or after January 1, 2006.

32 § 2. This act shall take effect immediately.

33 PART V

34 Section 1. Section 37 of the tax law, as added by chapter 109 of the
35 laws of 2012, subdivision (c) as amended by section 52 of part A of
36 chapter 59 of the laws of 2014, is amended to read as follows:

37 § 37. [Beer] Alcoholic beverage production credit. (a) General. A
38 taxpayer subject to tax under article nine-A or twenty-two of this chap-
39 ter, that is registered as a distributor under article eighteen of this
40 chapter, and that produces sixty million or fewer gallons of beer or
41 cider, twenty million or fewer gallons of wine, or eight hundred thou-
42 sand or fewer gallons of liquor in this state in the taxable year, shall
43 be allowed a credit against such taxes in the amount specified in subdi-
44 vision (b) of this section and pursuant to the provisions referenced in
45 subdivision (c) of this section. Provided, however, that no credit shall
46 be allowed for any beer, cider, wine or liquor produced in excess of

1 fifteen million five hundred thousand gallons in the taxable year. If
2 the taxpayer is a partner in a partnership or shareholder of a New York
3 S corporation, then the cap imposed by the preceding sentence shall be
4 applied at the entity level, so that the aggregate credit allowed to all
5 the partners or shareholders of each such entity in the taxable year
6 does not exceed that cap.

7 (b) The amount of the credit per taxpayer per taxable year (or pro
8 rata share of earned credit in the case of a partnership) for each
9 gallon of beer, cider, wine or liquor produced in this state [on or
10 after April first, two thousand twelve] shall be determined as follows:

11 (1) for the first five hundred thousand gallons of beer, cider, wine
12 or liquor produced in this state in the taxable year, the credit shall
13 equal fourteen cents per gallon; and

14 (2) for each gallon of beer, cider, wine or liquor produced in this
15 state in the taxable year in excess of five hundred thousand gallons,
16 the credit shall equal four and one-half cents per gallon.

17 (c) Cross-references. For application of the credit provided for in
18 this section, see the following provisions of this chapter:

19 (1) Article 9-A: Section 210-B, subdivision 39.

20 (2) Article 22: Section 606, subsections (i) and (uu).

21 § 2. Subdivision 39 of section 210-B of the tax law, as added by
22 section 17 of part A of chapter 59 of the laws of 2014, is amended to
23 read as follows:

24 39. [Beer] Alcoholic beverage production credit. A taxpayer shall be
25 allowed a credit, to be computed as provided in section thirty-seven of
26 this chapter, against the tax imposed by this article. In no event shall
27 the credit allowed under this subdivision for any taxable year reduce
28 the tax due for such year to less than the amount prescribed in para-
29 graph (d) of subdivision one of section two hundred ten of this article.
30 However, if the amount of credit allowed under this subdivision for any
31 taxable year reduces the tax to such amount or if the taxpayer otherwise
32 pays tax based on the fixed dollar minimum amount, any amount of credit
33 thus not deductible in such taxable year shall be treated as an overpay-
34 ment of tax to be credited or refunded in accordance with the provisions
35 of section one thousand eighty-six of this chapter. Provided, however,
36 the provisions of subsection (c) of section one thousand eighty-eight of
37 this chapter notwithstanding, no interest shall be paid thereon.

38 § 3. Subdivision 3 of section 420 of the tax law, as amended by chap-
39 ter 94 of the laws of 1934, is amended to read as follows:

40 3. "Alcoholic beverages" mean and include cidery, as defined by the
41 alcoholic beverage control law, beers, wines or liquors.

42 § 4. Section 424 of the tax law is amended by adding a new subdivision
43 6 to read as follows:

44 6. Notwithstanding any other provision of this article, there shall be
45 exempt from the taxes imposed under this article, alcoholic beverages
46 furnished by a licensed producer of alcoholic beverages at no charge to
47 a customer or prospective customer at a tasting held in accordance with
48 the alcoholic beverage control law for consumption at such tasting.

49 § 5. Clause (xxxiv) of subparagraph (B) of paragraph 1 of subsection
50 (i) of section 606 of the tax law, as amended by section 68 of part A of
51 chapter 59 of the laws of 2014, is amended to read as follows:

52 (xxxiv) [Beer] Alcoholic beverage Amount of credit
53 production credit under under subdivision thirty-nine of
54 subsection (uu) section two hundred ten-B

55 § 6. Subsection (uu) of section 606 of the tax law, as added by chap-
56 ter 109 of the laws of 2012, is amended to read as follows:

1 (uu) [Beer] Alcoholic beverage production credit. A taxpayer shall be
2 allowed a credit, to be computed as provided in section thirty-seven of
3 this chapter, against the tax imposed by this article. If the amount of
4 the credit allowed under this subsection for any taxable year shall
5 exceed the taxpayer's tax for such year, the excess shall be treated as
6 an overpayment of tax to be credited or refunded in accordance with the
7 provisions of section six hundred eighty-six of this article, provided,
8 however, that no interest shall be paid thereon.

9 § 7. Subdivision 13 of section 1118 of the tax law, as added by
10 section 2 of part U of chapter 59 of the laws of 2015, is amended to
11 read as follows:

12 (13) In respect to the use of the following items at a tasting held by
13 a licensed [brewery, farm brewery, cider producer, farm cidery, distil-
14 lery or farm distillery] producer of alcoholic beverages in accordance
15 with the alcoholic beverage control law: (i) the alcoholic beverage or
16 beverages authorized by the alcoholic beverage control law to be
17 furnished at no charge to a customer or prospective customer at such
18 tasting for consumption at such tasting; and (ii) bottles, corks, caps
19 and labels used to package such alcoholic beverages.

20 § 8. This act shall take effect immediately, provided, however, that:
21 sections one, two, five and six of this act shall apply to taxable years
22 beginning on or after January 1, 2016; sections three and four of this
23 act shall apply to taxable periods beginning on or after April 1, 2016;
24 and section seven of this act shall apply to uses occurring on and after
25 June 1, 2016.

26

PART W

27

Intentionally Omitted

28

PART X

29 Section 1. Paragraph 2 of subdivision (e) of section 1105 of the tax
30 law, as amended by section 1 of part Q of chapter 59 of the laws of
31 2012, is amended to read as follows:

32 (2) Except as provided in subdivision (r) of section eleven hundred
33 eleven of this part, when occupancy is provided, for a single consider-
34 ation, with property, services, amusement charges, or any other items,
35 the separate sale of which is not subject to tax under this article, and
36 the rent paid for such occupancy does not qualify for the exemption in
37 subdivision (kk) of section eleven hundred fifteen of this article, the
38 entire consideration shall be treated as rent subject to tax under para-
39 graph one of this subdivision; provided, however, that where the amount
40 of the rent for occupancy is stated separately from the price of such
41 property, services, amusement charges, or other items, on any sales
42 slip, invoice, receipt, or other statement given the occupant, and such
43 rent is reasonable in relation to the value of such property, services,
44 amusement charges or other items, only such separately stated rent will
45 be subject to tax under paragraph one of this subdivision.

46 § 2. Section 1115 of the tax law is amended by adding a new subdivi-
47 sion (kk) to read as follows:

48 (kk) Rent paid by a room remarketer to an operator that is not a room
49 remarketer for an occupancy that the room remarketer intends to provide
50 to an occupant for rent shall be exempt from the hotel unit fee imposed
51 by section eleven hundred four of this article and the tax imposed by
52 subdivision (e) of section eleven hundred five of this article, provided



1 that such room remarketer furnishes such operator a certificate in such
2 form and containing such information as may be prescribed by the commis-
3 sioner. The exemption certificate provided for by this subdivision shall
4 be administered by the commissioner in conformity with the rules for
5 exemption or resale certificates in subparagraph (i) of paragraph one of
6 subdivision (c) of section eleven hundred thirty-two of this article.

7 § 3. Paragraph 4 of subdivision a of section 11-2502 of the adminis-
8 trative code of the city of New York, as amended by section 4 of part Q
9 of chapter 59 of the laws of 2012, is amended to read as follows:

10 (4) (i) When occupancy is provided, for a single consideration, with
11 property, services, amusement charges, or any other items, the separate
12 sale of which is not subject to tax under this chapter, and the rent
13 paid for such occupancy does not qualify for the exemption in subdivi-
14 sion 1 of this section, the entire consideration shall be treated as
15 rent subject to tax under paragraph one of this subdivision; provided,
16 however, that where the amount of the rent for occupancy is stated sepa-
17 rately from the price of such property, services, amusement charges or
18 other items on any sales slip, invoice, receipt, or other statement
19 given the occupant and such rent is reasonable in relation to the value
20 of such property, services, amusement charges, or other items, only such
21 separately stated rent will be subject to tax under this subdivision.

22 (ii) In regard to the collection of tax on occupancies by remarketers,
23 when occupancy is provided, for a single consideration, with property,
24 services, amusement charges, or any other items, whether or not such
25 other items are taxable, the rent portion of the consideration for such
26 sale shall be computed as follows: the total consideration for the sale
27 multiplied by a fraction, the numerator of which shall be the consider-
28 ation paid to the hotel for the occupancy and the denominator of which
29 shall be the consideration paid to the hotel for the occupancy plus the
30 consideration paid to the providers of the other items being sold, or by
31 any other reasonable method pursuant to which the rent portion of
32 consideration would be no less than the computation of rent portion of
33 consideration under subparagraph (i) of this paragraph. Nothing herein
34 shall be construed to subject to tax or exempt from tax any service or
35 property or amusement charge or other items otherwise subject to tax or
36 exempt from tax under this chapter.

37 § 4. Section 11-2502 of the administrative code of the city of New
38 York is amended by adding a new subdivision 1 to read as follows:

39 1. An occupancy that an operator conveys or furnishes to a room
40 remarketer that the room remarketer intends to convey or furnish,
41 directly or indirectly, to an occupant for rent shall be exempt from the
42 taxes imposed by this section, provided that such room remarketer
43 furnishes the operator with a certificate in such form and containing
44 such information as may be prescribed by the commissioner of finance.
45 The operator shall retain such statement and provide it to the commis-
46 sioner of finance upon request.

47 § 5. This act shall take effect immediately and apply to rent paid for
48 occupancies on or after June 1, 2016.

49 PART Y

50 Section 1. The section heading of section 951-a of the tax law, as
51 added by chapter 190 of the laws of 1990, is amended to read as follows:

52 [Definitions] General provisions and definitions.

53 § 2. Section 951-a of the tax law is amended by adding a new
54 subsection (f) to read as follows:

1 (f) Tax treatment of charitable contributions for determining domi-
2 cile. Notwithstanding any other provision of any other law to the
3 contrary, the making of a financial contribution, gift, bequest,
4 donation or any other financial instrument or pledge in any amount or
5 the donation or loan of any object of any value, or the volunteering,
6 giving or donation of uncompensated time, or any combination of the
7 foregoing, considered a charitable contribution under subsection (c) of
8 section one hundred seventy of the internal revenue code, or to a not-
9 for-profit organization, as defined in subdivision seven of section one
10 hundred seventy-nine-q of the state finance law, shall not be used in
11 any manner to determine where an individual is domiciled at the time of
12 his or her death.

13 § 3. This act shall take effect immediately.

14

PART Z

15 Section 1. Subdivision 2 of section 89-b of the state finance law, as
16 amended by chapter 56 of the laws of 1993, is amended to read as
17 follows:

18 2. The dedicated highway and bridge trust fund shall consist of [two]
19 three accounts: (a) the special obligation reserve and payment account;
20 [and] (b) the highway and bridge capital account; and (c) the aviation
21 purpose account. Moneys in each account shall be kept separate and not
22 commingled with any other moneys in the custody of the comptroller.

23 § 2. Section 89-b of the state finance law is amended by adding a new
24 subdivision 4-a to read as follows:

25 4-a. (a) The aviation purpose account shall consist of all moneys
26 required to be deposited by section three hundred twelve of the tax law
27 and any other moneys credited or transferred thereto from any other
28 fund, account or source.

29 (b) Moneys in the aviation purpose account shall be utilized for
30 airports and aviation facilities and equipment and related projects,
31 including but not limited to the acquisition of real or tangible
32 personal property, construction, reconstruction, reconditioning, preser-
33 vation, maintenance or improvement of airport or aviation capital facil-
34 ities and noise mitigation projects, and any other purpose not prohibit-
35 ed by federal law.

36 § 3. Section 312 of the tax law, as amended by section 32 of part K of
37 chapter 61 of the laws of 2011, is amended to read as follows:

38 § 312. Deposit and disposition of revenue.-- (a) Except as otherwise
39 provided, of all taxes, interest and penalties collected or received on
40 or after April first, two thousand one, from the taxes imposed by
41 [sections] section three hundred one-a [and three hundred one-e] of this
42 article, (i) initially eighty and three-tenths percent shall be deposit-
43 ed, as prescribed by subdivision (d) of section three hundred one-j of
44 this article and (ii) nineteen and seven-tenths percent shall be depos-
45 ited in such mass transportation operating assistance fund to the credit
46 of the metropolitan mass transportation operating assistance account and
47 the public transportation systems operating assistance account thereof
48 in the manner provided by subdivision eleven of section one hundred
49 eighty-two-a of this chapter. Provided, further that on or before the
50 twenty-fifth day of each month commencing with April, two thousand one,
51 the comptroller shall deduct the amount of six hundred twenty-five thou-
52 sand dollars prior to any deposit or disposition of the taxes, interest,
53 and penalties collected or received pursuant to such [sections] section
54 three hundred one-a [and three hundred one-e] and shall deposit such

1 amount in the dedicated fund accounts pursuant to subdivision (d) of
2 section three hundred one-j of this article. Provided, further, that
3 commencing January fifteenth, nineteen hundred ninety-one, and on or
4 before the tenth day of March and the fifteenth day of June and Septem-
5 ber of such year, the commissioner shall, based on information supplied
6 by taxpayers and other appropriate sources, estimate the amount of the
7 utility credit authorized by section three hundred one-d of this article
8 which has been accrued to reduce tax liability under section one hundred
9 eighty-six-a of this chapter during the period covered by such estimate
10 and certify to the state comptroller such estimated amount. The comp-
11 troller shall forthwith, after receiving such certificate, deduct the
12 amount of such credit so certified by the commissioner prior to any
13 deposit or disposition of the taxes, interest and penalties collected or
14 received pursuant to such [sections] section three hundred one-a [and
15 three hundred one-e] and shall pay such amount so certified and deducted
16 into the state treasury to the credit of the general fund. Also, subse-
17 quently, during the fiscal year when the commissioner becomes aware of
18 changes or modifications with respect to actual credit usage, the
19 commissioner shall, as soon as practicable, issue a certification
20 setting forth the amount of any required adjustment to the amount of
21 actual credit usage previously certified. After receiving the certifi-
22 cate of the commissioner with respect to actual credit usage or modifi-
23 cation of the same, the comptroller shall forthwith adjust general fund
24 receipts and the revenues to be deposited or disposed of under this
25 article to reflect the difference so certified by the commissioner. The
26 commissioner shall not be liable for any overestimate or underestimate
27 of the amount of the utility credit which has been accrued to reduce tax
28 liability under such section one hundred eighty-six-a. Nor shall the
29 commissioner be liable for any inaccuracy in any certificate with
30 respect to the amount of such credit actually used or any required
31 adjustment with respect to actual credit usage, but the commissioner
32 shall as soon as practicable after discovery of any error adjust the
33 next certification under this section to reflect any such error.

34 Prior to making deposits as provided in this section, the comptroller
35 shall retain such amount as the commissioner may determine to be neces-
36 sary, subject to the approval of the director of the budget, for reason-
37 able costs of the department in administering and collecting the taxes
38 deposited pursuant to this section and for refunds and reimbursements
39 with respect to such taxes, out of which the comptroller shall pay any
40 refunds or reimbursements of such taxes to which taxpayers shall be
41 entitled.

42 (b) Notwithstanding any other provision of law, all taxes, interest,
43 and penalties collected or received on or after December first, two
44 thousand seventeen from the taxes imposed by section three hundred one-e
45 of this article shall be deposited in the aviation purpose account of
46 the dedicated highway and bridge trust fund established by section
47 eighty-nine-b of the state finance law.

48 § 4. Paragraph 1 of subdivision (a) of section 1102 of the tax law, as
49 amended by section 8 of part W-1 of chapter 109 of the laws of 2006, is
50 amended to read as follows:

51 (1) Every distributor of motor fuel shall pay, as a prepayment on
52 account of the taxes imposed by this article and pursuant to the author-
53 ity of article twenty-nine of this chapter, a tax on each gallon of
54 motor fuel (i) which he imports or causes to be imported into this state
55 for use, distribution, storage or sale in the state or produces,
56 refines, manufactures or compounds in this state or (ii) if the tax has

1 not been imposed prior to its sale in this state, which he sells (which
2 acts shall in regard to motor fuel hereinafter in this article be encom-
3 passed by the phrase "imported, manufactured or sold"), except when
4 imported, manufactured or sold under circumstances which preclude the
5 collection of such tax by reason of the United States constitution and
6 of the laws of the United States enacted pursuant thereto or when
7 imported or manufactured by an organization described in paragraph one
8 or two of subdivision (a) of section eleven hundred sixteen of this
9 article or a hospital included in the organizations described in para-
10 graph four of such subdivision for its own use and consumption and
11 except kero-jet fuel when imported by an airline for use in its
12 airplanes, and except CNG, and except hydrogen, and except E85 when
13 delivered to a filling station and placed in a storage tank of such
14 filling station for such E85 to be dispensed directly into a motor vehi-
15 cle for use in the operation of such vehicle, and except aviation gaso-
16 line sold for use in commercial aircraft and general aviation aircraft.

17 § 4-a. Paragraph 1 of subdivision (a) of section 1102 of the tax law,
18 as amended by chapter 261 of the laws of 1988, is amended to read as
19 follows:

20 (1) Every distributor of motor fuel shall pay, as a prepayment on
21 account of the taxes imposed by this article and pursuant to the author-
22 ity of article twenty-nine of this chapter, a tax on each gallon of
23 motor fuel (i) which he imports or causes to be imported into this state
24 for use, distribution, storage or sale in the state or produces,
25 refines, manufactures or compounds in this state or (ii) if the tax has
26 not been imposed prior to its sale in this state, which he sells (which
27 acts shall in regard to motor fuel hereinafter in this article be encom-
28 passed by the phrase "imported, manufactured or sold"), except when
29 imported, manufactured or sold under circumstances which preclude the
30 collection of such tax by reason of the United States constitution and
31 of the laws of the United States enacted pursuant thereto or when
32 imported or manufactured by an organization described in paragraph one
33 or two of subdivision (a) of section eleven hundred sixteen of this
34 article or a hospital included in the organizations described in para-
35 graph four of such subdivision for its own use and consumption and
36 except kero-jet fuel when imported by an airline for use in its
37 airplanes, and except aviation gasoline sold for use in commercial
38 aircraft and general aviation aircraft.

39 § 5. Subparagraph (i) of paragraph 1 of subdivision (a) of section
40 1210 of the tax law, as amended by section 3 of part Z of chapter 59 of
41 the laws of 2015, is amended to read as follows:

42 (i) Any local law, ordinance or resolution enacted by any city of less
43 than one million or by any county or school district, imposing the taxes
44 authorized by this subdivision, shall, notwithstanding any provision of
45 law to the contrary, exclude from the operation of such local taxes all
46 sales of tangible personal property for use or consumption directly and
47 predominantly in the production of tangible personal property, gas,
48 electricity, refrigeration or steam, for sale, by manufacturing, proc-
49 essing, generating, assembly, refining, mining or extracting; and all
50 sales of tangible personal property for use or consumption predominantly
51 either in the production of tangible personal property, for sale, by
52 farming or in a commercial horse boarding operation, or in both; and all
53 sales of fuel sold for use in commercial aircraft and general aviation
54 aircraft; and, unless such city, county or school district elects other-
55 wise, shall omit the provision for credit or refund contained in clause

1 six of subdivision (a) or subdivision (d) of section eleven hundred
2 nineteen of this chapter.

3 § 6. Subparagraphs (xii) and (xiii) of paragraph 4 of subdivision (a)
4 of section 1210 of the tax law, as amended by section 3 of part Z of
5 chapter 59 of the laws of 2015, are amended and a new subparagraph (xiv)
6 is added to read as follows:

7 (xii) shall omit, unless such city elects otherwise, the exemption for
8 residential solar energy systems equipment and electricity provided in
9 subdivision (ee) of section eleven hundred fifteen of this chapter;
10 [and] (xiii) shall omit, unless such city elects otherwise, the
11 exemption for commercial solar energy systems equipment and electricity
12 provided in subdivision (ii) of section eleven hundred fifteen of this
13 chapter[.]; and (xiv) shall exclude from the operation of such local
14 taxes all sales of fuel sold for use in commercial aircraft and general
15 aviation aircraft.

16 § 7. Notwithstanding any law to the contrary, the comptroller is here-
17 by authorized and directed to transfer from the general fund for deposit
18 into the mass transportation operating assistance fund, pursuant to
19 section 88-a of the state finance law and the dedicated mass transporta-
20 tion trust fund, pursuant to section 89-c of the state finance law, upon
21 request of the director of the budget, on or before March 31 of each
22 year, an amount equal to the amount of revenue received by the commis-
23 sioner of taxation and finance during the state fiscal year from petro-
24 leum business taxes imposed pursuant to the authority of section 301-e
25 of the tax law that would have otherwise been directed to such funds
26 pursuant to section 312 of the tax law as such section was in effect on
27 the day before this act became a law.

28 § 8. This act shall take effect immediately, provided however that
29 sections one, two and seven of this act shall take effect April 1, 2017;
30 provided further that sections three, four, five and six of this act
31 shall take effect December 1, 2017; and provided further that the amend-
32 ments to paragraph 1 of subdivision (a) of section 1102 of the tax law
33 made by section four of this act shall be subject to the expiration and
34 reversion of such paragraph pursuant to section 19 of part W-1 of chap-
35 ter 109 of the laws of 2006, as amended, when upon such date the
36 provisions of section four-a of this act shall take effect.

37 PART AA

38 Intentionally Omitted

39 PART BB

40 Section 1. Subdivision 1 of section 236 of the racing, pari-mutuel
41 wagering and breeding law, as amended by chapter 18 of the laws of
42 2008, is amended to read as follows:

43 1. Every corporation authorized under this chapter to conduct pari-mu-
44 tuel betting at a race meeting on races run thereat, except as provided
45 in section two hundred thirty-eight of this article with respect to the
46 franchised corporation, shall distribute all sums deposited in any pari-
47 mutuel pool to the holders of winning tickets therein, providing such
48 tickets be presented for payment before April first of the year follow-
49 ing the year of their purchase, less an amount [which] that shall be
50 established and retained by such racing corporation of between fourteen
51 to twenty [per centum] percent of the total deposits in pools resulting
52 from regular on-track bets and less sixteen to twenty-two [per centum]

1 percent of the total deposits in pools resulting from multiple on-track
2 bets and less twenty to thirty [per centum] percent of the total depos-
3 its in pools resulting from exotic on-track bets and less twenty to
4 thirty-six [per centum] percent of the total pools resulting from super
5 exotic on-track bets, plus the breaks. The retention rate to be estab-
6 lished is subject to the prior approval of the [racing and wagering
7 board] gaming commission. Such rate may not be changed more than once
8 per calendar quarter to be effective on the first day of the calendar
9 quarter. "Exotic bets" and "multiple bets" shall have the meanings set
10 forth in section five hundred nineteen of this chapter and breaks are
11 hereby defined as [the odd cents over any multiple of ten, or for exotic
12 bets over any multiple of fifty, or for super exotic bets, over any
13 multiple of one hundred, calculated on the basis of one dollar, other-
14 wise payable to a patron provided, however, that effective after October
15 fifteenth, nineteen hundred ninety-four breaks are hereby defined as]
16 the odd cents over any multiple of five for payoffs greater than one
17 dollar five cents but less than five dollars, over any multiple of ten
18 for payoffs greater than five dollars but less than twenty-five dollars,
19 over any multiple of twenty-five for payoffs greater than twenty-five
20 dollars but less than two hundred fifty dollars, or over any multiple of
21 fifty for payoffs over two hundred fifty dollars. "Super exotic bets"
22 shall have the meaning set forth in section three hundred one of this
23 chapter. Of the amount so retained there shall be paid by such corpo-
24 ration to the department of taxation and finance as a reasonable tax by
25 the state for the privilege of conducting pari-mutuel betting on the
26 races run at the race meeting held by such corporation, which tax is
27 hereby levied, the following percentages of the total pool, plus fifty-
28 five [per centum] percent of the breaks; the applicable rates for regu-
29 lar and multiple bets shall be one and one-half [per centum] percent;
30 the applicable rates for exotic bets shall be six and three-quarter [per
31 centum] percent and the applicable rate for super exotic bets shall be
32 seven and three-quarter [per centum] percent. Effective on and after
33 September first, nineteen hundred ninety-four, the applicable tax rate
34 shall be one [per centum] percent of all wagers, provided that, an
35 amount equal to one-half the difference between the taxation rate for
36 on-track regular, multiple and exotic bets as of December thirty-first,
37 nineteen hundred ninety-three and the rates on such on-track wagers as
38 herein provided shall be used exclusively for purses. Provided, however,
39 that for any twelve-month period beginning on April first in nineteen
40 hundred ninety and any year thereafter, each of the applicable rates set
41 forth above shall be increased by one-quarter of one [per centum]
42 percent on all on-track bets of any such racing corporation that did not
43 expend an amount equal to at least one-half of one [per centum] percent
44 of its on-track bets during the immediately preceding calendar year for
45 enhancements consisting of capital improvements as defined by section
46 two hundred thirty-seven of this article, repairs to its physical plant,
47 structures, and equipment used in its racing or wagering operations as
48 certified by the [state racing and wagering board] gaming commission to
49 the commissioner of taxation and finance no later than eighty days after
50 the close of such calendar year, and five special events at each track
51 in each calendar year, not otherwise conducted in the ordinary course of
52 business, the purpose of which shall be to encourage, attract and
53 promote track attendance and encourage new and continued patronage,
54 which events shall be [approved by the racing and wagering board]
55 subject to the prior approval of the gaming commission for purposes of
56 this subdivision. In the determination of the amounts expended for such



1 enhancements, the [board] gaming commission may consider the immediately
2 preceding [twelve month] twelve-month calendar period or the average of
3 the two immediately preceding [twelve month] twelve-month calendar peri-
4 ods. Provided further, however, that of the portion of the increased
5 amounts retained by such corporation above those amounts retained in
6 nineteen hundred eighty-four, an amount of such increase shall be
7 distributed to purses in the same proportion as commissions and purses
8 were distributed during nineteen hundred eighty-four as certified by the
9 [board] gaming commission. Such corporation in the second zone shall
10 receive a credit against the daily tax imposed by this subdivision in an
11 amount equal to four-tenths of one [per centum] percent of total daily
12 pools resulting from the simulcast of such corporation's races to
13 licensed facilities operated by regional off-track betting corporations
14 in accordance with section one thousand eight of this chapter, provided
15 however, that sixty [per centum] percent of the amount of such credit
16 shall be used exclusively to increase purses for overnight races
17 conducted by such corporation; and, provided further, that in no event
18 shall such total daily credit exceed four-tenths of one [per centum]
19 percent of the total daily pool of such corporation. [Provided, however,
20 that on and after September first, nineteen hundred ninety-four such
21 credit shall be four-tenths percent of total daily pools resulting from
22 such simulcasting and that in no event shall such total daily credit
23 equal four-tenths percent of the total daily pool of such corporation.]

24 Such corporation shall pay to the New York state thoroughbred breeding
25 and development fund one-half of one [per centum] percent of the total
26 daily on-track pari-mutuel pools from regular, multiple and exotic bets,
27 and three [per centum] percent of super exotic bets. The corporation
28 shall receive credit as a reduction of the tax by the state for the
29 privilege of conducting pari-mutuel betting for the amounts, except
30 amounts paid from super exotic betting pools, paid to the New York state
31 thoroughbred breeding and development fund after January first, nineteen
32 hundred seventy-eight.

33 Such corporation shall distribute to purses an amount equal to fifty
34 [per centum] percent of any compensation it receives from simulcasting
35 or from wagering conducted outside the United States. Such corporation
36 shall pay to the [racing and wagering board] gaming commission as a
37 regulatory fee, which fee is hereby levied, [fifty hundredths] six-
38 tenths of one [per centum] percent of the total daily on-track pari-mu-
39 tuel pools of such corporation.

40 § 2. Paragraph (d) of subdivision 1 of section 238 of the racing,
41 pari-mutuel wagering and breeding law, as amended by chapter 18 of the
42 laws of 2008, is amended to read as follows:

43 (d) (i) The pari-mutuel tax rate authorized by paragraph (a) of this
44 subdivision shall be effective so long as a franchised corporation noti-
45 fies the [racing and wagering board] gaming commission by August
46 fifteenth of each year that such pari-mutuel tax rate is effective of
47 its intent to conduct a race meeting at Aqueduct racetrack during the
48 months of December, January, February, March and April. For purposes of
49 this paragraph such race meeting shall consist of not less than ninety-
50 five days of racing. Not later than May first of each year that such
51 pari-mutuel tax rate is effective, the [racing and wagering board]
52 gaming commission shall determine whether a race meeting at Aqueduct
53 racetrack consisted of the number of days as required by this paragraph.
54 In determining the number of race days, cancellation of a race day
55 because of an act of God[, which] that the [racing and wagering board]
56 gaming commission approves or because of weather conditions that are

1 unsafe or hazardous which the [racing and wagering board] gaming commis-
2 sion approves shall not be construed as a failure to conduct a race day.
3 Additionally, cancellation of a race day because of circumstances beyond
4 the control of such franchised corporation for which the [racing and
5 wagering board] gaming commission gives approval shall not be construed
6 as a failure to conduct a race day. If the [racing and wagering board]
7 gaming commission determines that the number of days of racing as
8 required by this paragraph have not occurred then the pari-mutuel tax
9 rate in paragraph (a) of this subdivision shall revert to the pari-mutu-
10 el tax rates in effect prior to January first, nineteen hundred ninety-
11 five.

12 (ii) Such franchised corporation shall pay to the [racing and wagering
13 board] gaming commission as a regulatory fee, which fee is hereby
14 levied, [fifty hundredths] six-tenths of one [per centum] percent of the
15 total daily on-track pari-mutuel pools of such franchised corporation.

16 § 3. Paragraph d of subdivision 1 of section 318 of the racing, pari-
17 mutuel wagering and breeding law, as amended by section 3 of part B of
18 chapter 59 of the laws of 2005, is amended to read as follows:

19 d. Every harness racing association or corporation shall pay to the
20 [board] gaming commission as a regulatory fee, which fee is hereby
21 levied, [fifty hundredths] six-tenths of one percent of the total daily
22 on-track pari-mutuel pools of such association or corporation.

23 § 4. The opening paragraph and the opening paragraph of subdivision 1
24 of section 527 of the racing, pari-mutuel wagering and breeding law, the
25 opening paragraph as amended by chapter 18 of the laws of 2008 and the
26 opening paragraph of subdivision 1 as amended by chapter 300 of the laws
27 of 2015, are amended to read as follows:

28 Each regional corporation conducting off-track betting shall distrib-
29 ute all sums deposited in any pari-mutuel pool through such corporation
30 to the holders of winning tickets therein, providing such tickets be
31 presented for payment prior to April first of the year following the
32 year of their purchase, less an amount [which] that it shall retain at
33 the same rate established by the track accepting wagers from each such
34 regional corporation.

35 The disposition of the retained commission from pools resulting from
36 regular, multiple or exotic bets, as the case may be, whether placed on
37 races run within a region or outside a region, conducted by racing
38 corporations, harness racing associations or corporations, quarter horse
39 racing associations or corporations or races run outside the state shall
40 be governed by the tables in paragraphs a and b of this subdivision. The
41 rate denominated "state tax" shall represent the rate of a reasonable
42 tax imposed upon the retained commission for the privilege of conducting
43 off-track pari-mutuel betting, which tax is hereby levied and shall be
44 payable in the manner set forth in this section. Each off-track betting
45 corporation shall pay to the [racing and wagering board] gaming commis-
46 sion as a regulatory fee, which fee is hereby levied, [fifty hundredths]
47 six-tenths of one percent of the total daily pools of such corporation.
48 Each corporation shall also pay twenty [per centum] percent of the
49 breaks derived from bets on harness races and fifty [per centum] percent
50 of the breaks derived from bets on all other races to the agriculture
51 and New York State horse breeding and development fund and to the
52 thoroughbred breeding and development fund, the total of such payments
53 to be apportioned fifty [per centum] percent to each such fund. For the
54 purposes of this section, the New York city, Suffolk, Nassau, and the
55 Catskill regions shall constitute a single region and any thoroughbred
56 track located within the Capital District region shall be deemed to be

1 within such single region. A "regional meeting" shall refer to either
2 harness or thoroughbred meetings, or both, except that a franchised
3 corporation shall not be a regional track for the purpose of receiving
4 distributions from bets on thoroughbred races conducted by a thorough-
5 bred track in the Catskill region conducting a mixed meeting. With the
6 exception of a harness racing association or corporation first licensed
7 to conduct pari-mutuel wagering at a track located in Tioga or Saratoga
8 county after January first, two thousand five, racing corporations first
9 licensed to conduct pari-mutuel racing after January first, nineteen
10 hundred eighty-six or a harness racing association or corporation first
11 licensed to conduct pari-mutuel wagering at a track located in Genesee
12 County after January first, two thousand five, and quarter horse tracks
13 shall not be "regional tracks"; if there is more than one harness track
14 within a region, such tracks shall evenly divide payments made pursuant
15 to the tables in paragraphs a and b of this subdivision when neither
16 track is running. In the event a track elects to reduce its retained
17 percentage from any or all of its pari-mutuel pools, the payments to the
18 track holding the race and the regional track required by paragraphs a
19 and b of this subdivision shall be reduced in proportion to such
20 reduction. Nothing in this section shall be construed to authorize the
21 conduct of off-track betting contrary to the provisions of section five
22 hundred twenty-three of this article.

23 § 5. Paragraph a of subdivision 1 of section 904 of the racing, pari-
24 mutuel wagering and breeding law, as amended by chapter 18 of the laws
25 of 2008, are amended to read as follows:

26 a. The applicable state tax provided for in paragraphs a and b of
27 subdivision one of section five hundred twenty-seven of this chapter
28 shall be one-half [per centum] percent for regular, multiple and exotic
29 bets. Any harness racing or association or corporation, or thoroughbred
30 racing corporation authorized pursuant to this section shall pay to the
31 [racing and wagering board] gaming commission as a regulatory fee, which
32 fee is hereby levied, [fifty hundredths] six-tenths of one percent of
33 the total daily pari-mutuel pools.

34 § 6. Paragraph g of subdivision 3 of section 1007 of the racing, pari-
35 mutuel wagering and breeding law, as amended by chapter 18 of the laws
36 of 2008, is amended to read as follows:

37 g. Any harness racing or association or corporation, or thoroughbred
38 racing corporation authorized pursuant to this section shall pay to the
39 [racing and wagering board] gaming commission as a regulatory fee, which
40 fee is hereby levied, [fifty hundredths] six-tenths of one percent of
41 the total daily pari-mutuel pools.

42 § 7. Paragraph b of subdivision 3 of section 1008 of the racing, pari-
43 mutuel wagering and breeding law, as amended by section 7 of part B of
44 chapter 59 of the laws of 2005, is amended to read as follows:

45 b. Of the sums received by the sending track, fifty percent shall be
46 distributed to purses in addition to moneys distributed pursuant to
47 section five hundred twenty-seven of this chapter. The off-track betting
48 corporation shall pay to the [racing and wagering board] gaming commis-
49 sion as a regulatory fee, which fee is hereby levied, [fifty hundredths]
50 six-tenths of one percent of the total daily pools.

51 § 8. Paragraph d of subdivision 4 of section 1009 of the racing, pari-
52 mutuel wagering and breeding law, as amended by section 8 of part B of
53 chapter 59 of the laws of 2005, is amended to read as follows:

54 d. The operator shall pay to the [racing and wagering board] gaming
55 commission as a regulatory fee, which fee is hereby levied, [fifty
56 hundredths] six-tenths of one percent of the total daily pools.

1 § 9. Subparagraph (iv) of paragraph i of subdivision 1 of section 1014
2 of the racing, pari-mutuel wagering and breeding law, as amended by
3 chapter 18 of the laws of 2008, is amended to read as follows:

4 (iv) Any thoroughbred racing corporation or harness racing association
5 or corporation or off-track betting corporation authorized pursuant to
6 this section shall pay to the [racing and wagering board] gaming commis-
7 sion as a regulatory fee, which fee is hereby levied, [fifty hundredths]
8 six-tenths of one percent of all wagering pools.

9 § 10. Paragraph e of subdivision 3 of section 1015 of the racing,
10 pari-mutuel wagering and breeding law, as amended by chapter 18 of the
11 laws of 2008, is amended to read as follows:

12 e. Any thoroughbred racing corporation or harness racing association
13 or corporation or off-track betting corporation authorized pursuant to
14 this section shall pay to the [racing and wagering board] gaming commis-
15 sion as a regulatory fee, which fee is hereby levied, [fifty hundredths]
16 six-tenths of one percent of all wagering pools.

17 § 11. Clause (B) of subparagraph 2 of paragraph b of subdivision 1 of
18 section 1016 of the racing, pari-mutuel wagering and breeding law, as
19 amended by chapter 18 of the laws of 2008, is amended to read as
20 follows:

21 (B) Any harness racing or association or corporation or thoroughbred
22 racing corporation authorized pursuant to this section shall pay to the
23 [racing and wagering board] gaming commission as a regulatory fee, which
24 fee is hereby levied, [fifty hundredths] six-tenths of one percent of
25 the total daily pari-mutuel pools.

26 § 12. Paragraph b of subdivision 2 of section 1018 of the racing,
27 pari-mutuel wagering and breeding law, as amended by chapter 18 of the
28 laws of 2008, is amended to read as follows:

29 b. Any thoroughbred racing corporation or harness racing association
30 or corporation or off-track betting corporation shall pay to the [racing
31 and wagering board] gaming commission as a regulatory fee, which fee is
32 hereby levied, [fifty hundredths] six-tenths of one percent of all
33 wagering pools.

34 § 13. This act shall take effect immediately.

35

PART CC

36 Section 1. Section 308 of the racing, pari-mutuel wagering and breed-
37 ing law, as amended by section 1 of part Y of chapter 58 of the laws of
38 2012, is amended to read as follows:

39 § 308. Officials at harness horse race meetings. 1. At all harness
40 race meetings licensed by the [state racing and wagering board] gaming
41 commission in accordance with the provisions of sections two hundred
42 twenty-two through seven hundred five of this chapter qualified judges
43 and starters shall be designated by the [state racing and wagering
44 board] gaming commission. Such officials shall enforce the rules and
45 regulations of the [state racing and wagering board] gaming commission
46 and shall render regular written reports of the activities and conduct
47 of such race meetings to the [state racing and wagering board] gaming
48 commission.

49 2. The licensed racing corporations shall reimburse the [state racing
50 and wagering board] gaming commission for the per diem cost to the
51 [board] commission to employ one associate judge and the starter to
52 serve at harness race meetings. The [board] commission shall notify each
53 such licensed racing [corporations] corporation of the per diem cost of
54 the associate judge and the starter [prior to the beginning] at the

1 track of such licensed racing corporation within sixty days of the end
2 of each month. Payment of the reimbursement required by this section
3 shall be made to the [board] commission by each entity required to make
4 such payments [on the last business day of each month] within thirty
5 days of such notification by the commission and shall cover all the
6 costs incurred during that month. A penalty of five percent of payment
7 due, and interest at the rate of one percent per month calculated from
8 such [last day of each month] date that payment is due to the date of
9 the payment of the per diem cost shall be payable in case any per diem
10 cost imposed by this subdivision is not paid when due. The [board]
11 commission shall promulgate rules and regulations to ensure the proper
12 reimbursement of such costs.

13 3. The [board] commission shall pay into the racing regulation
14 account, as defined in section ninety-nine-i of the state finance law,
15 under the joint custody of the comptroller and the [board] commission,
16 the total amount of the reimbursements collected pursuant to this
17 section. With the approval of the director of the budget, monies
18 [utilized] used to pay the costs and expenses of the operations of the
19 [board] commission shall be paid out of such account on the audit and
20 warrant of the comptroller on vouchers, certified and approved by the
21 director of the division of the budget or his or her duly designated
22 official.

23 4. Any associate judge and starter whose per diem costs are reimbursed
24 by a licensed racing corporation shall remain employees of the [state
25 racing and wagering board] gaming commission and shall retain all the
26 rights and privileges of their current civil service jurisdictional
27 classification and status and collective bargaining unit representation.

28 § 2. This act shall take effect immediately.

29

PART DD

30 Section 1. Subparagraph (ii) of paragraph 1 of subdivision b of
31 section 1612 of the tax law is amended by adding a new clause (G-2) to
32 read as follows:

33 (G-2) Notwithstanding any provision to the contrary, when a vendor
34 track is located within region six of development zone two as defined by
35 section thirteen hundred ten of the racing, pari-mutuel wagering and
36 breeding law and is located within Ontario county, such vendor track
37 shall receive an additional commission at a rate equal to the percentage
38 of revenue wagered at the vendor track after payout for prizes pursuant
39 to this chapter, which percentage shall be one hundred, less the sum of
40 the percentages of net revenue wagered at the vendor track retained by
41 the commission for operation, administration, and procurement purposes;
42 and the vendor's fee, marketing allowance and capital award paid to the
43 vendor track pursuant to this chapter; and the effective tax rate paid
44 on all gross gaming revenue paid by a gaming facility within Seneca or
45 Wayne counties pursuant to section thirteen hundred fifty-one of the
46 racing, pari-mutuel wagering and breeding law, provided, however, such
47 additional commission shall be applied to revenue wagered at the vendor
48 track after payout for prizes only while a gaming facility in Seneca or
49 Wayne counties is open and operational pursuant to an operation certifi-
50 cate issued pursuant to section thirteen hundred thirty-one of the
51 racing, pari-mutuel wagering and breeding law. The additional commission
52 set forth in this clause shall be paid to the vendor track within sixty
53 days after the conclusion of the state fiscal year based on the calcu-
54 lated percentage during the previous fiscal year.



1 § 2. This act shall take effect immediately and shall be deemed to
2 have been in full force and effect on and after January 1, 2014.

3

PART EE

4 Section 1. Clause (F) of subparagraph (ii) of paragraph 1 of subdivi-
5 sion b of section 1612 of the tax law, as amended by section 1 of part
6 WW of chapter 59 of the laws of 2015, is amended to read as follows:

7 (F) notwithstanding clauses (A), (B), (C), (D) and (E) of this subpar-
8 agraph, when a vendor track, is located in Sullivan county and within
9 sixty miles from any gaming facility in a contiguous state such vendor
10 fee shall, for a period of [eight] nine years commencing April first,
11 two thousand eight, be at a rate of forty-one percent of the total
12 revenue wagered at the vendor track after payout for prizes pursuant to
13 this chapter, after which time such rate shall be as for all tracks in
14 clause (C) of this subparagraph.

15 § 2. This act shall take effect immediately and shall be deemed to
16 have been in full force and effect on and after April 1, 2016.

17

PART FF

18 Section 1. Paragraph (a) of subdivision 1 of section 1003 of the
19 racing, pari-mutuel wagering and breeding law, as amended by section 1
20 of part NN of chapter 59 of the laws of 2015, is amended to read as
21 follows:

22 (a) Any racing association or corporation or regional off-track
23 betting corporation, authorized to conduct pari-mutuel wagering under
24 this chapter, desiring to display the simulcast of horse races on which
25 pari-mutuel betting shall be permitted in the manner and subject to the
26 conditions provided for in this article may apply to the commission for
27 a license so to do. Applications for licenses shall be in such form as
28 may be prescribed by the commission and shall contain such information
29 or other material or evidence as the commission may require. No license
30 shall be issued by the commission authorizing the simulcast transmission
31 of thoroughbred races from a track located in Suffolk county. The fee
32 for such licenses shall be five hundred dollars per simulcast facility
33 and for account wagering licensees that do not operate either a simul-
34 cast facility that is open to the public within the state of New York or
35 a licensed racetrack within the state, twenty thousand dollars per year
36 payable by the licensee to the commission for deposit into the general
37 fund. Except as provided in this section, the commission shall not
38 approve any application to conduct simulcasting into individual or group
39 residences, homes or other areas for the purposes of or in connection
40 with pari-mutuel wagering. The commission may approve simulcasting into
41 residences, homes or other areas to be conducted jointly by one or more
42 regional off-track betting corporations and one or more of the follow-
43 ing: a franchised corporation, thoroughbred racing corporation or a
44 harness racing corporation or association; provided (i) the simulcasting
45 consists only of those races on which pari-mutuel betting is authorized
46 by this chapter at one or more simulcast facilities for each of the
47 contracting off-track betting corporations which shall include wagers
48 made in accordance with section one thousand fifteen, one thousand
49 sixteen and one thousand seventeen of this article; provided further
50 that the contract provisions or other simulcast arrangements for such
51 simulcast facility shall be no less favorable than those in effect on
52 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 [sixteen] seventeen; provided, however, that any
14 party to such agreement may elect to terminate such agreement upon
15 conveying written notice to all other parties of such agreement at least
16 forty-five days prior to the effective date of the termination, via
17 registered mail. Any party to an agreement receiving such notice of an
18 intent to terminate, may request the commission to mediate between the
19 parties new terms and conditions in a replacement agreement between the
20 parties as will permit continuation of an in-home experiment until June
21 thirtieth, two thousand [sixteen] seventeen; and (iv) no in-home simul-
22 casting in the thoroughbred special betting district shall occur without
23 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 NN of chapter 59 of the laws of 2015, is amended to
27 read as follows:

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

40 § 3. The opening paragraph of subdivision 1 of section 1014 of the
41 racing, pari-mutuel wagering and breeding law, as amended by section 3
42 of part NN of chapter 59 of the laws of 2015, is amended to read as
43 follows:

44 The provisions of this section shall govern the simulcasting of races
45 conducted at thoroughbred tracks located in another state or country on
46 any day during which a franchised corporation is conducting a race meet-
47 ing in Saratoga county at Saratoga thoroughbred racetrack until June
48 thirtieth, two thousand [sixteen] seventeen and on any day regardless of
49 whether or not a franchised corporation is conducting a race meeting in
50 Saratoga county at Saratoga thoroughbred racetrack after June thirtieth,
51 two thousand [sixteen] seventeen. On any day on which a franchised
52 corporation has not scheduled a racing program but a thoroughbred racing
53 corporation located within the state is conducting racing, every off-
54 track betting corporation branch office and every simulcasting facility
55 licensed in accordance with section one thousand seven (that have
56 entered into a written agreement with such facility's representative

1 horsemen's organization, as approved by the commission), one thousand
2 eight, or one thousand nine of this article shall be authorized to
3 accept wagers and display the live simulcast signal from thoroughbred
4 tracks located in another state or foreign country subject to the
5 following provisions:

6 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering
7 and breeding law, as amended by section 4 of part NN of chapter 59 of
8 the laws of 2015, is amended to read as follows:

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

14 § 5. The opening paragraph of subdivision 1 of section 1016 of the
15 racing, pari-mutuel wagering and breeding law, as amended by section 5
16 of part NN of chapter 59 of the laws of 2015, is amended to read as
17 follows:

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

35 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel
36 wagering and breeding law, as amended by section 6 of part NN of chapter
37 59 of the laws of 2015, is amended to read as follows:

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

53 § 7. Section 32 of chapter 281 of the laws of 1994, amending the
54 racing, pari-mutuel wagering and breeding law and other laws relating
55 to simulcasting, as amended by section 7 of part NN of chapter 59 of the
56 laws of 2015, is amended to read as follows:

1 § 32. This act shall take effect immediately and the pari-mutuel tax
2 reductions in section six of this act shall expire and be deemed
3 repealed on July 1, [2016] 2017; provided, however, that nothing
4 contained herein shall be deemed to affect the application, qualifica-
5 tion, expiration, or repeal of any provision of law amended by any
6 section of this act, and such provisions shall be applied or qualified
7 or shall expire or be deemed repealed in the same manner, to the same
8 extent and on the same date as the case may be as otherwise provided by
9 law; provided further, however, that sections twenty-three and twenty-
10 five of this act shall remain in full force and effect only until May 1,
11 1997 and at such time shall be deemed to be repealed.

12 § 8. Section 54 of chapter 346 of the laws of 1990, amending the
13 racing, pari-mutuel wagering and breeding law and other laws relating to
14 simulcasting and the imposition of certain taxes, as amended by section
15 8 of part NN of chapter 59 of the laws of 2015, is amended to read as
16 follows:

17 § 54. This act shall take effect immediately; provided, however,
18 sections three through twelve of this act shall take effect on January
19 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-
20 ing law, as added by section thirty-eight of this act, shall expire and
21 be deemed repealed on July 1, [2016] 2017; and section eighteen of this
22 act shall take effect on July 1, 2008 and sections fifty-one and fifty-
23 two of this act shall take effect as of the same date as chapter 772 of
24 the laws of 1989 took effect.

25 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,
26 pari-mutuel wagering and breeding law, as amended by section 9 of part
27 NN of chapter 59 of the laws of 2015, is amended to read as follows:

28 (a) The franchised corporation authorized under this chapter to
29 conduct pari-mutuel betting at a race meeting or races run thereat shall
30 distribute all sums deposited in any pari-mutuel pool to the holders of
31 winning tickets therein, provided such tickets be presented for payment
32 before April first of the year following the year of their purchase,
33 less an amount which shall be established and retained by such fran-
34 chised corporation of between twelve to seventeen per centum of the
35 total deposits in pools resulting from on-track regular bets, and four-
36 teen to twenty-one per centum of the total deposits in pools resulting
37 from on-track multiple bets and fifteen to twenty-five per centum of the
38 total deposits in pools resulting from on-track exotic bets and fifteen
39 to thirty-six per centum of the total deposits in pools resulting from
40 on-track super exotic bets, plus the breaks. The retention rate to be
41 established is subject to the prior approval of the gaming commission.
42 Such rate may not be changed more than once per calendar quarter to be
43 effective on the first day of the calendar quarter. "Exotic bets" and
44 "multiple bets" shall have the meanings set forth in section five
45 hundred nineteen of this chapter. "Super exotic bets" shall have the
46 meaning set forth in section three hundred one of this chapter. For
47 purposes of this section, a "pick six bet" shall mean a single bet or
48 wager on the outcomes of six races. The breaks are hereby defined as the
49 odd cents over any multiple of five for payoffs greater than one dollar
50 five cents but less than five dollars, over any multiple of ten for
51 payoffs greater than five dollars but less than twenty-five dollars,
52 over any multiple of twenty-five for payoffs greater than twenty-five
53 dollars but less than two hundred fifty dollars, or over any multiple of
54 fifty for payoffs over two hundred fifty dollars. Out of the amount so
55 retained there shall be paid by such franchised corporation to the
56 commissioner of taxation and finance, as a reasonable tax by the state

1 for the privilege of conducting pari-mutuel betting on the races run at
2 the race meetings held by such franchised corporation, the following
3 percentages of the total pool for regular and multiple bets five per
4 centum of regular bets and four per centum of multiple bets plus twenty
5 per centum of the breaks; for exotic wagers seven and one-half per
6 centum plus twenty per centum of the breaks, and for super exotic bets
7 seven and one-half per centum plus fifty per centum of the breaks. For
8 the period June first, nineteen hundred ninety-five through September
9 ninth, nineteen hundred ninety-nine, such tax on regular wagers shall be
10 three per centum and such tax on multiple wagers shall be two and one-
11 half per centum, plus twenty per centum of the breaks. For the period
12 September tenth, nineteen hundred ninety-nine through March thirty-
13 first, two thousand one, such tax on all wagers shall be two and six-
14 tenths per centum and for the period April first, two thousand one
15 through December thirty-first, two thousand [sixteen] seventeen, such
16 tax on all wagers shall be one and six-tenths per centum, plus, in each
17 such period, twenty per centum of the breaks. Payment to the New York
18 state thoroughbred breeding and development fund by such franchised
19 corporation shall be one-half of one per centum of total daily on-track
20 pari-mutuel pools resulting from regular, multiple and exotic bets and
21 three per centum of super exotic bets provided, however, that for the
22 period September tenth, nineteen hundred ninety-nine through March thir-
23 ty-first, two thousand one, such payment shall be six-tenths of one per
24 centum of regular, multiple and exotic pools and for the period April
25 first, two thousand one through December thirty-first, two thousand
26 [sixteen] seventeen, such payment shall be seven-tenths of one per
27 centum of such pools.

28 § 10. This act shall take effect immediately.

29

PART GG

30 Section 1. Clause (H) of subparagraph (ii) of paragraph 1 of subdivi-
31 sion b of section 1612 of the tax law, as amended by section 1 of part
32 MM of chapter 59 of the laws of 2015, is amended to read as follows:

33 (H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of
34 this subparagraph, the track operator of a vendor track shall be eligi-
35 ble for a vendor's capital award of up to four percent of the total
36 revenue wagered at the vendor track after payout for prizes pursuant to
37 this chapter, which shall be used exclusively for capital project
38 investments to improve the facilities of the vendor track which promote
39 or encourage increased attendance at the video lottery gaming facility
40 including, but not limited to hotels, other lodging facilities, enter-
41 tainment facilities, retail facilities, dining facilities, events
42 arenas, parking garages and other improvements that enhance facility
43 amenities; provided that such capital investments shall be approved by
44 the division, in consultation with the state racing and wagering board,
45 and that such vendor track demonstrates that such capital expenditures
46 will increase patronage at such vendor track's facilities and increase
47 the amount of revenue generated to support state education programs. The
48 annual amount of such vendor's capital awards that a vendor track shall
49 be eligible to receive shall be limited to two million five hundred
50 thousand dollars, except for Aqueduct racetrack, for which there shall
51 be no vendor's capital awards. Except for tracks having less than one
52 thousand one hundred video gaming machines, and except for a vendor
53 track located west of State Route 14 from Sodus Point to the Pennsylva-
54 nia border within New York, each track operator shall be required to

1 co-invest an amount of capital expenditure equal to its cumulative
2 vendor's capital award. For all tracks, except for Aqueduct racetrack,
3 the amount of any vendor's capital award that is not used during any one
4 year period may be carried over into subsequent years ending before
5 April first, two thousand [sixteen] seventeen. Any amount attributable
6 to a capital expenditure approved prior to April first, two thousand
7 [sixteen] seventeen and completed before April first, two thousand [eighteen]
8 nineteen; or approved prior to April first, two thousand [twenty]
9 twenty-one and completed before April first, two thousand [twenty-two]
10 twenty-three for a vendor track located west of State Route 14 from
11 Sodus Point to the Pennsylvania border within New York, shall be eligible
12 to receive the vendor's capital award. In the event that a vendor
13 track's capital expenditures, approved by the division prior to April
14 first, two thousand [sixteen] seventeen and completed prior to April
15 first, two thousand [eighteen] nineteen, exceed the vendor track's cumulative
16 capital award during the five year period ending April first, two
17 thousand [sixteen] seventeen, the vendor shall continue to receive the
18 capital award after April first, two thousand [sixteen] seventeen until
19 such approved capital expenditures are paid to the vendor track subject
20 to any required co-investment. In no event shall any vendor track that
21 receives a vendor fee pursuant to clause (F) or (G) of this subparagraph
22 be eligible for a vendor's capital award under this section. Any operator
23 of a vendor track which has received a vendor's capital award,
24 choosing to divest the capital improvement toward which the award was
25 applied, prior to the full depreciation of the capital improvement in
26 accordance with generally accepted accounting principles, shall reimburse
27 the state in amounts equal to the total of any such awards. Any
28 capital award not approved for a capital expenditure at a video lottery
29 gaming facility by April first, two thousand [sixteen] seventeen shall
30 be deposited into the state lottery fund for education aid; and
31 § 2. This act shall take effect immediately.

32

PART HH

33 Section 1. Paragraph b of subdivision 3 of section 97-nnnn of the
34 state finance law, as added by chapter 174 of the laws of 2013, is
35 amended to read as follows:

36 b. ten percent of the moneys in such fund, as attributable to a
37 specific licensed gaming facility, shall be appropriated or transferred
38 from the commercial gaming revenue fund equally between the host municipality
39 and host county of such facility.

40 § 2. Clause (G) of subparagraph (ii) of paragraph 1 of subdivision b
41 of section 1612 of the tax law, as added by chapter 174 of the laws of
42 2013, is amended to read as follows:

43 (G) Notwithstanding any provision to the contrary, when a vendor track
44 is located within regions one, two, or five of development zone two as
45 defined by section thirteen hundred ten of the racing, pari-mutuel
46 wagering and breeding law, such vendor track shall receive an additional
47 commission at a rate equal to the percentage of revenue wagered at the
48 vendor track after payout for prizes pursuant to this chapter, which
49 percentage shall be one hundred, less [ten percent] the sum of the
50 percentages of net revenue wagered at the vendor track retained by the
51 commission for operation, administration, and procurement purposes; and
52 [payment of] the vendor's fee, marketing allowance[,] and capital award
53 paid to the vendor track pursuant to this chapter; and the effective tax
54 rate paid on all gross gaming revenue paid by a gaming facility within

1 the same region pursuant to section thirteen hundred fifty-one of the
2 racing, pari-mutuel wagering and breeding law, provided, however, such
3 additional commission shall be applied to revenue wagered at the vendor
4 track after payout for prizes only while a gaming facility in the same
5 region is open and operational pursuant to an operation certificate
6 issued pursuant to section thirteen hundred thirty-one of the racing,
7 pari-mutuel wagering and breeding law. The additional commission set
8 forth in this clause shall be paid to the vendor track within sixty days
9 after the conclusion of the state fiscal year based on the calculated
10 percentage during the previous fiscal year.

11 § 3. This act shall take effect immediately and shall be deemed to
12 have been in full force and effect on and after January 1, 2014.

13

PART II

14 Section 1. Subdivision 1 of section 491 of the tax law, as added by
15 chapter 90 of the laws of 2014, is amended to read as follows:

16 1. Except in accordance with proper judicial order or as in this
17 section or otherwise provided by law, it shall be unlawful for the
18 commissioner, any officer or employee of the department, or any officer
19 or person who, pursuant to this section, is permitted to inspect any
20 return or report or to whom a copy, an abstract or a portion of any
21 return or report is furnished, or to whom any information contained in
22 any return or report is furnished, or any person engaged or retained by
23 such department on an independent contract basis or any person who in
24 any manner may acquire knowledge of the contents of a return or report
25 filed pursuant to this article to divulge or make known in any manner
26 the contents or any other information relating to the business of a
27 distributor, owner or other person contained in any return or report
28 required under this article. The officers charged with the custody of
29 such returns or reports shall not be required to produce any of them or
30 evidence of anything contained in them in any action or proceeding in
31 any court, except on behalf of the state, the state department of
32 health, or the commissioner in an action or proceeding under the
33 provisions of this chapter or on behalf of the state or the commissioner
34 in any other action or proceeding involving the collection of a tax due
35 under this chapter to which the state or the commissioner is a party or
36 a claimant or on behalf of any party to any action or proceeding under
37 the provisions of this article, when the returns or the reports or the
38 facts shown thereby are directly involved in such action or proceeding,
39 or in an action or proceeding relating to the regulation or taxation of
40 medical marihuana on behalf of officers to whom information shall have
41 been supplied as provided in subdivision two of this section, in any of
42 which events the court may require the production of, and may admit in
43 evidence so much of said returns or reports or of the facts shown there-
44 by as are pertinent to the action or proceeding and no more. Nothing
45 herein shall be construed to prohibit the commissioner, in his or her
46 discretion, from allowing the inspection or delivery of a certified copy
47 of any return or report filed under this article or of any information
48 contained in any such return or report by or to a duly authorized offi-
49 cer or employee of the state department of health; or by or to the
50 attorney general or other legal representatives of the state when an
51 action shall have been recommended or commenced pursuant to this chapter
52 in which such returns or reports or the facts shown thereby are directly
53 involved; or the inspection of the returns or reports required under
54 this article by the comptroller or duly designated officer or employee



1 of the state department of audit and control, for purposes of the audit
2 of a refund of any tax paid by a registered organization or other person
3 under this article; nor to prohibit the delivery to a registered organ-
4 ization, or a duly authorized representative of such registered organ-
5 ization, a certified copy of any return or report filed by such regis-
6 tered organization pursuant to this article, nor to prohibit the
7 publication of statistics so classified as to prevent the identification
8 of particular returns or reports and the items thereof. This section
9 shall also not be construed to prohibit the disclosure, for tax adminis-
10 tration purposes, to the division of the budget and the office of the
11 state comptroller, of information aggregated from the returns filed by
12 all the registered organizations making sales of, or manufacturing,
13 medical marihuana in a specified county, whether the number of such
14 registered organizations is one or more. Provided further that, notwith-
15 standing the provisions of this subdivision, the commissioner may, in
16 his or her discretion, permit the proper officer of any county entitled
17 to receive an allocation, following appropriation by the legislature,
18 pursuant to this article and section eighty-nine-h of the state finance
19 law, or the authorized representative of such officer, to inspect any
20 return filed under this article, or may furnish to such officer or the
21 officer's authorized representative an abstract of any such return or
22 supply such officer or such representative with information concerning
23 an item contained in any such return, or disclosed by any investigation
24 of tax liability under this article.

25 § 2. This act shall take effect immediately; provided, however, that
26 the amendments to subdivision 1 of section 491 of the tax law made by
27 section one of this act shall be deemed to have been in full force and
28 effect on and after January 1, 2016, and shall not affect the repeal of
29 such section and shall be deemed to be repealed therewith.

30 PART JJ

31 Section 1. Subdivision 15 of section 425 of the real property tax law,
32 as added by section 1 of part E of chapter 59 of the laws of 2015, is
33 amended to read as follows:

34 15. Recoupment of exemptions by commissioner. (a) Generally. If the
35 commissioner should determine, based upon data collected under the STAR
36 registration program, that property improperly received the basic STAR
37 exemption [on] in the current school year or one or more of the three
38 preceding [assessment rolls] school years, the commissioner shall treat
39 the exemption as an improperly granted exemption and proceed in the
40 manner provided by this subdivision; provided that final assessment
41 rolls that were filed prior to April first, two thousand eleven shall
42 not be subject to the provisions of this subdivision.

43 (b) Procedure. The tax savings attributable to each such improperly
44 granted exemption shall be collected from the owners whose property
45 improperly received the exemption for the applicable year, together with
46 interest as specified in this subdivision, by utilizing any of the
47 procedures for collection, levy, and lien of personal income tax set
48 forth in article twenty-two of the tax law, any other relevant proce-
49 dures referenced within the provisions of that article, and any other
50 law as may be applicable, so far as practicable when recouping the
51 exemption amount pursuant to this subdivision, except that:

52 (i) in order for the recoupment procedure to be considered timely, the
53 notice required by subparagraph (ii) of this paragraph must be mailed no
54 later than three years after the conclusion of the school year for which

1 the exemption in question was granted, or in the case of an exemption
2 that was granted for the two thousand twelve--two thousand thirteen
3 school year, no later than September thirtieth, two thousand sixteen;

4 (ii) prior to directing that an improperly granted exemption be
5 recouped pursuant to this subdivision, the commissioner shall provide
6 the owners with notice and an opportunity to show the commissioner that
7 the exemption was properly granted. If the owners fail to respond to
8 such notice within forty-five days from the mailing thereof, or if their
9 response does not show to the commissioner's satisfaction that the
10 eligibility requirements were in fact satisfied, the commissioner shall
11 proceed with the recoupment of the improperly granted exemption in
12 accordance with the provisions of this subdivision; and

13 [(ii)] (iii) notwithstanding the provisions of paragraph (b) of subdi-
14 vision six of this section, neither an assessor nor a board of assess-
15 ment review has the authority to consider an objection to the recoupment
16 of an exemption pursuant to this subdivision, nor may such an action be
17 reviewed in a proceeding to review an assessment pursuant to title one
18 or one-A of article seven of this chapter. Such an action may only be
19 challenged before the department. If an owner is dissatisfied with the
20 department's final determination, the owner may appeal that determi-
21 nation to the board in a form and manner to be prescribed by the commis-
22 sioner. Such appeal shall be filed within forty-five days from the issu-
23 ance of the department's final determination. If dissatisfied with the
24 board's determination, the owner may seek judicial review thereof pursu-
25 ant to article seventy-eight of the civil practice law and rules. The
26 owner shall otherwise have no right to challenge such final determi-
27 nation in a court action, administrative proceeding, including but not
28 limited to an administrative proceeding pursuant to article forty of the
29 tax law, or any other form of legal recourse against the commissioner,
30 the department, the board, the assessor, or any other person, state
31 agency, or local government.

32 (c) The amount to be recouped for each improperly received exemption
33 shall have interest added at the rate prescribed by section nine hundred
34 twenty-four-a of this chapter or such other law as may be applicable for
35 each month or portion thereof since the levy of school taxes upon such
36 assessment roll.

37 (d) In the event that a revocation of prior exemption pursuant to
38 subdivision twelve of this section or a voluntary renunciation of the
39 STAR exemption pursuant to section four hundred ninety-six of this
40 [chapter] article has occurred, the provisions of this subdivision shall
41 not be applicable to the exemptions so revoked or voluntarily renounced.

42 § 2. This act shall take effect immediately.

43

PART KK

44 Section 1. Paragraphs a and b of subdivision 1 of section 502 of the
45 tax law, paragraph a as amended by section 1 of part E of chapter 60 of
46 the laws of 2007, and paragraph b as amended by section 1 of part T-1 of
47 chapter 57 of the laws of 2009, are amended to read as follows:

48 a. Each carrier shall apply to the commissioner for a certificate of
49 registration for each motor vehicle operated or to be operated by [him]
50 such carrier on the public highways in this state. Application shall be
51 made upon a form prescribed by such commissioner and shall set forth the
52 gross and unloaded weight of each motor vehicle, license plate informa-
53 tion for each motor vehicle and such other information as the commis-
54 sioner may require. Such weights shall be subject to audit and approval



1 by the commissioner. [The application shall be accompanied by a fee of
2 fifteen dollars for each motor vehicle listed in the application.] The
3 commissioner shall issue [without further charge] a certificate of
4 registration for each motor vehicle or a consolidated certificate of
5 registration for all or any portion of such vehicles of such carrier
6 which shall contain such information and be in such form as the commis-
7 sioner shall prescribe. In the case of the loss, mutilation or
8 destruction of a certificate of registration, the commissioner shall
9 issue a duplicate thereof [upon payment of a fee of two dollars]. Any
10 such certificate of registration shall not be transferable, except as
11 hereinafter provided, and shall be valid until revoked, suspended or
12 surrendered. Such certificate of registration shall be maintained in the
13 carrier's regular place of business. In the event of an increase in the
14 gross or unloaded weight of any motor vehicle subject to this article,
15 application for a corrected certificate of registration shall be made
16 upon a form prescribed by such commissioner setting forth the previous
17 gross or unloaded weight, the new gross or unloaded weight and such
18 other information as the commissioner may require. In the event of a
19 decrease in the gross or unloaded weight of any motor vehicle subject to
20 this article, application may be made for a corrected certificate of
21 registration in a similar manner, provided that any such application on
22 the basis of a decrease in the gross or unloaded weight of any motor
23 vehicle may be made only during the month of January. In the event of a
24 decrease in the gross or unloaded weight of any motor vehicle subject to
25 this article, an application to cancel a certificate of registration on
26 the basis of such decrease may be made during any month. The corrected
27 gross or unloaded weight shall be subject to audit and approval by the
28 commissioner. In the event of a change to the license plate information
29 of any motor vehicle subject to this article, an application for a
30 corrected certificate of registration shall be made upon a form
31 prescribed by the commissioner setting forth the previous license plate
32 information, the new license plate information and such other informa-
33 tion as the commissioner may require. Upon surrendering the certificate
34 of registration previously issued, the commissioner shall[, without
35 further charge,] issue a corrected certificate of registration.

36 b. Every automotive fuel carrier shall apply to the commissioner for a
37 special certificate of registration, in place of the certificate of
38 registration described in paragraph a of this subdivision, for each
39 motor vehicle operated or to be operated by [him] such carrier on the
40 public highways in this state to transport automotive fuel. Provided,
41 however, a special certificate of registration shall not be required
42 under this paragraph for a tractor or other self-propelled device which,
43 except with respect to the fuel in the ordinary fuel tank intended for
44 its propulsion, transports automotive fuel solely by means of a trailer,
45 dolly or other device drawn by such tractor or other self-propelled
46 device if a certificate of registration prescribed by paragraph a of
47 this subdivision has been issued for the self-propelled device. Applica-
48 tion shall be made upon an application form prescribed by the commis-
49 sioner. [The application shall be accompanied by a fee of fifteen
50 dollars for each trailer, semi-trailer, dolly or other device listed in
51 the application.] The commissioner shall issue [without further charge]
52 such special certificate of registration for each motor vehicle listed
53 in the application or a consolidated certificate of registration for all
54 or any portion of such vehicles of such carrier. All of the provisions
55 of this article with respect to certificates of registration shall be
56 applicable to the special certificates of registration issued to automo-

1 tive fuel carriers under this paragraph as if those provisions had been
2 set forth in full in this paragraph and expressly referred to the
3 special certificates of registration required by this paragraph except
4 to the extent that any such provision is either inconsistent with a
5 provision of this paragraph or not relevant to the certificates of
6 registration required by this paragraph. Any certificate of registration
7 shall not be transferable, and shall be valid until revoked, suspended
8 or surrendered. Such special certificate of registration shall be main-
9 tained in the carrier's regular place of business. Nothing contained in
10 this paragraph shall in any way exempt an automotive fuel carrier from
11 payment of the taxes imposed pursuant to this article.

12 § 2. Paragraphs a and b of subdivision 6 of section 502 of the tax
13 law, as added by section 1 of part K-1 of chapter 57 of the laws of
14 2009, are amended to read as follows:

15 a. The commissioner may require the use of decals as evidence that a
16 carrier has a valid certificate of registration for each motor vehicle
17 operated or to be operated on the public highways of this state as
18 required by paragraph a of subdivision one of this section. If the
19 commissioner requires the use of decals, the commissioner shall issue
20 for each motor vehicle with a valid certificate of registration a decal
21 that shall be of a size and design and containing such information as
22 the commissioner prescribes. [The fee for any decal issued pursuant to
23 this paragraph is four dollars.] In the case of the loss, mutilation, or
24 destruction of a decal, the commissioner shall issue a new decal upon
25 proof of the facts [and payment of four dollars]. The decal shall be
26 firmly and conspicuously affixed upon the motor vehicle for which it is
27 issued as closely as practical to the registration or license plates and
28 at all times be visible and legible. No decal is transferable. A decal
29 shall be valid until it expires or is revoked, suspended, or surren-
30 dered.

31 b. The commissioner may require the use of special decals as evidence
32 that an automotive fuel carrier has a valid special certificate of
33 registration for each motor vehicle operated or to be operated on the
34 public highways of this state to transport automotive fuel as required
35 by paragraph b of subdivision one of this section. If the commissioner
36 requires the use of special decals, the commissioner shall issue for
37 each motor vehicle with a valid special certificate of registration a
38 special decal that shall be distinctively colored and of a size and
39 design and containing such information as the commissioner prescribes.
40 [The fee for any special decal issued pursuant to this paragraph is four
41 dollars.] In the case of the loss, mutilation, or destruction of a
42 special decal, the commissioner shall issue a new special decal upon
43 proof of the facts [and payment of four dollars]. The special decal
44 shall be firmly and conspicuously affixed upon the motor vehicle for
45 which it is issued pursuant to the rules and regulations prescribed by
46 the commissioner to enable the easy identification of the automotive
47 fuel carrier certificate of registration number and at all times be
48 visible and legible. No special decal is transferable and shall be valid
49 until it expires or is revoked, suspended, or surrendered.

50 § 3. The tax law is amended by adding a new section 502-a to read as
51 follows:

52 § 502-a. Certificate of registration and decal fees. The application
53 for a certificate of registration and decal described in paragraph a of
54 subdivision one and paragraph a of subdivision six of section five
55 hundred two of this article, or a special certificate of registration
56 and special decal as described in paragraph b of subdivision one and



1 paragraph b of subdivision six of such section, shall be accompanied by
2 a fee of one dollar and fifty cents. In the case of the loss, mutila-
3 tion or destruction of any such documents, the commissioner shall issue
4 a duplicate set thereof upon payment of a fee of one dollar and fifty
5 cents. Provided, however, there shall be no additional charge for the
6 issuance of a corrected certificate of registration pursuant to para-
7 graph a of subdivision one of section five hundred two of this article.

8 § 4. Subdivision 8 of section 509 of the tax law, as separately
9 amended by section 3 of part K-1 and section 2 of part T-1 of chapter 57
10 of the laws of 2009, is amended to read as follows:

11 8. To issue replacement certificates of registration or decals at such
12 times as the commissioner may deem necessary for the proper and effi-
13 cient enforcement of the provisions of this article, but not more often
14 than once every year and to require the surrender of the then outstand-
15 ing certificates of registration and decals. All of the provisions of
16 this article with respect to certificates of registration and decals
17 shall be applicable to replacement certificates of registration and
18 decals issued hereunder, except that the replacement certificate of
19 registration or decal shall be issued upon payment of a fee of [fifteen
20 dollars] one dollar and fifty cents for each motor vehicle and for any
21 trailer, semi-trailer, dolly or other device drawn thereby for which a
22 certificate of registration or decal is required to be issued under this
23 article;

24 § 5. Section 515 of the tax law, as added by chapter 329 of the laws
25 of 1991, is amended to read as follows:

26 § 515. Disposition of revenues. All taxes, interest, penalties and
27 fees collected or received pursuant to this article shall be deposited
28 daily in one account with such responsible banks, banking houses or
29 trust companies as may be designated by the comptroller, and to the
30 credit of the comptroller on account of the dedicated highway and bridge
31 trust fund established pursuant to section eighty-nine-b of the state
32 finance law. Such an account may be established in one or more of such
33 depositories and such deposits shall be kept separate and apart from all
34 other moneys in the possession of the comptroller. The comptroller shall
35 require adequate security from all such depositories.

36 Of the revenues so deposited, the comptroller shall retain in his
37 hands such amount as the commissioner of taxation and finance may deter-
38 mine to be necessary for refunds or reimbursements of the taxes
39 collected or received pursuant to this article to which taxpayers shall
40 be entitled under the provisions of this article, out of which amount
41 the comptroller shall pay any refunds or reimbursements of the taxes
42 collected or received pursuant to this article to which taxpayers shall
43 be entitled under such provisions. The comptroller, after reserving the
44 amount to pay such refunds or reimbursements, shall, on or before the
45 last day of each month, pay the balance of the revenue so deposited
46 during such month into the dedicated highway and bridge trust fund
47 established pursuant to section eighty-nine-b of the state finance law.

48 Notwithstanding the foregoing or any other law to the contrary, the
49 comptroller shall deposit all monies collected on account of the regis-
50 tration fees imposed pursuant to section five hundred two-a and subdivi-
51 sion eight of section five hundred nine of this article into the highway
52 use tax administration account established pursuant to section ninety-
53 nine-y of the state finance law. The monies deposited in such account
54 shall be available to the commissioner for the costs of issuing the
55 certificates of registration and highway use tax decals required by this
56 article and for any other costs of administering the provisions of

1 sections five hundred two, five hundred two-a and five hundred nine of
2 this article. Any moneys not used in a given year shall be returned to
3 such account and be added to the total funds available for disbursement
4 in the succeeding year.

5 § 6. The state finance law is amended by adding a new section 99-y to
6 read as follows:

7 § 99-y. Highway use tax administration account. 1. There is hereby
8 established in the joint custody of the state comptroller and the
9 commissioner of the department of taxation and finance a special account
10 to be known as the "highway use tax administration account".

11 2. The highway use tax administration account shall consist of all
12 monies collected from the highway use tax registration and decal fees
13 collected pursuant to sections five hundred two-a and five hundred nine
14 of the tax law, and any other monies deposited into the account pursuant
15 to law.

16 3. Monies of the account, following appropriation by the legislature,
17 shall be used for the costs of the commissioner of taxation and finance
18 in administering sections five hundred two, five hundred two-a and five
19 hundred nine of the tax law, and expended for the purposes set forth in
20 section five hundred fifteen of the tax law.

21 § 7. This act shall take effect immediately.

22

PART LL

23 Section 1. Paragraph (b) of subdivision 9 of section 210-B of the tax
24 law, as added by section 17 of part A of chapter 59 of the laws of 2014,
25 is amended to read as follows:

26 (b) Carryover or refund. In no event shall the credit herein provided
27 for be allowed in an amount which will reduce the tax payable to less
28 than the fixed dollar minimum amount prescribed in paragraph (d) of
29 subdivision one of section two hundred ten of this article. If, however,
30 the amount of credit allowable under this subdivision for any taxable
31 year, including any credit carried over from a prior taxable year,
32 reduces the tax to such amount or if the taxpayer otherwise pays tax
33 based on the fixed dollar minimum amount, any amount of credit not
34 deductible in such taxable year may be carried over to the following
35 year or years and may be deducted from the taxpayer's tax for such year
36 or years. In lieu of carrying over to the following year or years, the
37 unused portion of credits attributable to the special additional mort-
38 gage recording tax paid by the taxpayer as mortgagee with respect to
39 mortgages of real property principally improved or to be improved by one
40 or more structures containing in the aggregate not more than six resi-
41 dential dwelling units, each dwelling unit having its own separate cook-
42 ing facilities, such taxpayer may elect to treat such unused portion as
43 an overpayment of tax to be credited or refunded in accordance with the
44 provisions of section ten hundred eighty-six of this chapter, except
45 that no interest shall be paid on such overpayment.

46 § 2. This act shall take effect immediately and shall be deemed to
47 have been in full force and effect on the same date and in the same
48 manner as part A of chapter 59 of the laws of 2014, took effect.

49

PART MM

50 Section 1. Subparagraph 2 of paragraph (b) of subdivision 43 of
51 section 210-B of the tax law, as added by section 17 of part A of chap-
52 ter 59 of the laws of 2014, is amended to read as follows:

1 (2) In addition, the term real property tax includes taxes paid by the
2 taxpayer upon real property principally used during the taxable year by
3 the taxpayer in manufacturing where the taxpayer leases such real prop-
4 erty from an unrelated third party if the following conditions are
5 satisfied: (i) the tax must be paid by the taxpayer as lessee pursuant
6 to explicit requirements in a written lease, and (ii) the taxpayer as
7 lessee has paid such taxes directly to the taxing authority and has
8 received a written receipt for payment of taxes from the taxing authori-
9 ty. In the case of a combined group that constitutes a qualified New
10 York manufacturer, the conditions in the preceding sentence are satis-
11 fied if one corporation in the combined group is the lessee and another
12 corporation in the combined group makes the payments to the taxing
13 authority. In the case of a taxpayer that, during the taxable year, is
14 principally engaged in the production of goods by farming, agriculture,
15 horticulture, floriculture, viticulture, or commercial fishing, the
16 taxpayer is eligible if the taxpayer satisfies the conditions stipulated
17 in this subdivision and the taxpayer leases such real property from a
18 related or unrelated party.

19 § 2. This act shall take effect immediately.

20

PART NN

21 Section 1. Items (I) and (III) of the subclause (ii) of clause (B) of
22 subparagraph 1 of paragraph (r) of subdivision 9 of section 208 of the
23 tax law, as amended by section 6 of part T of chapter 59 of the laws of
24 2015, are amended to read as follows:

25 (I) Total assets are those assets that are properly reflected on a
26 balance sheet, computed in the same manner as is required by the banking
27 regulator of the taxpayers included in the combined return. In addition,
28 total assets includes leased real property that is not properly
29 reflected on a balance sheet.

30 (III) Tangible real and personal property, such as buildings, land,
31 machinery, and equipment shall be valued at cost. Leased [assets] real
32 property that is not properly reflected on a balance sheet will be
33 valued at the annual lease payment multiplied by eight. Intangible prop-
34 erty, such as loans and investments, shall be valued at book value
35 exclusive of reserves.

36 § 2. Items (I) and (III) of subclause (ii) of clause (B) of subpara-
37 graph 3 of paragraph (s) of subdivision 9 of section 208 of the tax law,
38 as added by section 4 of part A of chapter 59 of the laws of 2014, are
39 amended to read as follows:

40 (I) Total assets are those assets that are properly reflected on a
41 balance sheet, computed in the same manner as is required by the banking
42 regulator of the taxpayers included in the combined return. In addition,
43 total assets includes leased real property that is not properly
44 reflected on a balance sheet.

45 (III) Tangible real and personal property, such as buildings, land,
46 machinery, and equipment shall be valued at cost. Leased [assets] real
47 property that is not properly reflected on that balance sheet will be
48 valued at the annual lease payment multiplied by eight. Intangible prop-
49 erty, such as loans and investments, shall be valued at book value
50 exclusive of reserves.

51 § 3. Items (I) and (III) of subclause (B) of clause (ii) of subpara-
52 graph 3 of paragraph (q) of subdivision 8 of section 11-652 of the
53 administrative code of the city of New York, as added by section 1 of

1 part D of chapter 60 of the laws of 2015, are amended to read as
2 follows:

3 (I) Total assets are those assets that are properly reflected on a
4 balance sheet, computed in the same manner as is required by the banking
5 regulator of the taxpayers included in the combined return. In addition,
6 total assets includes leased real property that is not properly
7 reflected on a balance sheet.

8 (III) Tangible real and personal property, such as buildings, land,
9 machinery, and equipment, shall be valued at cost. Leased [assets] real
10 property that is not properly reflected on the balance sheet will be
11 valued at the annual lease payment multiplied by eight. Intangible prop-
12 erty, such as loans and investments, shall be valued at book value
13 exclusive of reserves.

14 § 4. Items (I) and (III) of subclause (B) of clause (ii) of subpara-
15 graph 1 of paragraph (s) of subdivision 8 of section 11-652 of the
16 administrative code of the city of New York, as added by section 1 of
17 part D of chapter 60 of the laws of 2015, are amended to read as
18 follows:

19 (I) Total assets are those assets that are properly reflected on a
20 balance sheet, computed in the same manner as is required by the banking
21 regulator of the taxpayers included in the combined return. In addition,
22 total assets includes leased real property that is not properly
23 reflected on a balance sheet.

24 (III) Tangible real and personal property, such as buildings, land,
25 machinery, and equipment shall be valued at cost. Leased [assets] real
26 property that is not properly reflected on a balance sheet will be
27 valued at the annual lease payment multiplied by eight. Intangible prop-
28 erty, such as loans and investments, shall be valued at book value
29 exclusive of reserves.

30 § 5. Items (I) and (III) of subclause (C) of clause (ii) of subpara-
31 graph 2 of paragraph (t) of subdivision 8 of section 11-652 of the
32 administrative code of the city of New York, as added by section 1 of
33 part D of chapter 60 of the laws of 2015, are amended to read as
34 follows:

35 (I) Total assets are those assets that are properly reflected on a
36 balance sheet, computed in the same manner as is required by the banking
37 regulator, if applicable, of the taxpayers included in the combined
38 return. In addition, total assets includes leased real property that is
39 not properly reflected on a balance sheet.

40 (III) Tangible real and personal property, such as buildings, land,
41 machinery, and equipment, shall be valued at cost. Leased [assets] real
42 property that is not properly reflected on a balance sheet will be
43 valued at the annual lease payment multiplied by eight. Intangible prop-
44 erty, such as loans and investments, shall be valued at book value
45 exclusive of reserves.

46 § 6. This act shall take effect immediately, provided that sections
47 one and two of this act shall be deemed to have been in full force and
48 effect on the same date and in the same manner as part A of chapter 59
49 of the laws of 2014 took effect, and sections three, four and five of
50 this act shall be deemed to have been in full force and effect on the
51 same date and in the same manner as part D of chapter 60 of the laws of
52 2015 took effect.

1 Section 1. Section 221-a of the racing, pari-mutuel wagering and
2 breeding law, as added by section 3 of part 00 of chapter 59 of the laws
3 of 2014, is amended to read as follows:

4 § 221-a. Health insurance for jockeys. 1. A franchised corporation
5 shall, as a condition of racing, establish a program to administer the
6 purchase of health insurance for eligible jockeys.

7 Such program shall be funded through the deposit of one and one-half
8 percent of the gross purse enhancement amount from video lottery gaming
9 at a thoroughbred track pursuant to paragraph two of subdivision b and
10 paragraph one of subdivision f of section sixteen hundred twelve of the
11 tax law. The franchised corporation shall establish a segregated account
12 for the receipt of these monies and these monies shall remain separate
13 from any other funds. Any corporation or association licensed pursuant
14 to this article shall pay into such account any amount due within ten
15 days of the receipt of revenue pursuant to section sixteen hundred
16 twelve of the tax law. Any portion of such funding to the account unused
17 during a calendar year, less an amount sufficient to cover anticipated
18 premium liabilities over the next sixty days, shall be returned on a pro
19 rata basis in accordance with the amounts originally contributed and
20 shall be used for the purpose of enhancing purses at such tracks.
21 Provided, however, if a corporation or association licensed pursuant to
22 this article provides an alternative source of funding for this program,
23 an amount equal to this alternative funding, but not in excess of the
24 amount originally contributed during the year from the gross purse
25 enhancement amount from video lottery gaming attributable to such corpo-
26 ration or association, shall be returned to the corporation or associ-
27 ation and used for the purpose of enhancing purses at such track.
28 Provided, further, any such alternative source of funding must be
29 approved by the gaming commission.

30 2. The franchised corporation shall enter into a memorandum of under-
31 standing with the jockey's organization that represents at least fifty-
32 one percent of eligible active jockeys establishing a plan of operation
33 for the program, provided that such memorandum of understanding shall be
34 approved by the gaming commission upon a determination that such memo-
35 randum of understanding meets the statutory requirements of this section
36 and is in the best interest of racing and shall include, but not be
37 limited to, the following conditions:

38 a. health insurance policies must be purchased on an American health
39 benefit exchange established pursuant to 42 U.S.C. § 18031(b) by the
40 insured;

41 b. health insurance policies eligible to be purchased under the
42 program shall be any policy that is silver level of coverage or lower as
43 defined by 42 U.S.C. § 18022(d). Provided, however, the insured may elect
44 to purchase a gold level or platinum level of coverage as defined by 42
45 U.S.C. § 18022(d) if the insured pays the difference in premiums between
46 such policy and the premium for the silver level policy offered by the
47 same insurer. Such payments shall be paid into the account established
48 in subdivision one of this section and shall be governed by the terms of
49 the memorandum of understanding required by this section;

50 c. notwithstanding the conditions set forth in paragraphs a and b of
51 this subdivision, a memorandum of understanding with the jockeys organ-
52 ization that represents at least fifty-one percent of the eligible
53 active jockeys may be approved by the commission upon a determination
54 that such memorandum of understanding is in the best interest of racing
55 that creates a jockeys health trust to be administered by the franchised
56 corporation for the purpose of obtaining jockey health benefits from a

1 health insurance provider that covers jockeys and their dependents with
2 a health insurance policy that is not purchased on an American health
3 benefit exchange established pursuant to 42 U.S.C. § 18031(b) but does
4 provide silver level coverage or lower as defined by 42 U.S.C. §
5 18022(d);

6 [c.]d. the payment of premiums pursuant to this section shall be made
7 on behalf of eligible jockeys pursuant to paragraph [d] e of this subdivi-
8 sion by the franchised corporation from monies in the account estab-
9 lished in subdivision one of this section directly to the health plan
10 selected pursuant to paragraph b or c of this subdivision;

11 [d.]e. to be eligible to receive health insurance through this
12 program, an individual must meet one of the following requirements:

13 (i) have ridden in at least two hundred fifty races conducted by the
14 franchised corporation during the prior calendar year or in at least one
15 hundred fifty races conducted by any other corporation or association
16 licensed pursuant to this article during the prior calendar year;
17 provided, however, if an individual qualified for coverage in any prior
18 year and fails to meet the qualification due to an injury not resulting
19 in a permanent disability, that individual shall be deemed to have met
20 the qualification; or

21 (ii) have retired from racing on or after January first, two thousand
22 ten after having ridden in at least seventy-five hundred races conducted
23 by any corporation or association licensed pursuant to this article. For
24 the purposes of this section, an individual shall be considered retired
25 from racing if they have ridden in fewer than fifty races at any track
26 in the nation licensed to conduct thoroughbred racing during the calen-
27 dar year; or

28 (iii) have become permanently disabled due to a racing accident while
29 eligible to receive benefits or would become eligible to receive bene-
30 fits in the following year pursuant to subparagraph (i) of this para-
31 graph; provided, however, if an individual fails to meet the qualifica-
32 tion of such subparagraph (i) due to an injury resulting in a permanent
33 disability, that individual shall be deemed to have met the qualifica-
34 tion; and

35 [e.]f. the gaming commission shall have the following powers:

36 (i) to rule on eligibility in the event of a denial of coverage pursu-
37 ant to paragraph [d] e of this subdivision. In the event of a denial of
38 coverage, such individual denied eligibility may appeal to the gaming
39 commission;

40 (ii) to make a determination if an individual would have qualified
41 pursuant to subparagraph (i) of paragraph [d] e of this subdivision in
42 the event that the individual suffers an injury and contends that he or
43 she would have qualified had they not suffered such injury; and

44 (iii) to audit the books and records of the program.

45 § 2. This act shall take effect immediately.

46

PART PP

47 Section 1. The opening paragraph of subdivision 7 of section 221 of
48 the racing, pari-mutuel wagering and breeding law, as amended by section
49 1 of part VV of chapter 59 of the laws of 2015, is amended to read as
50 follows:

51 In order to pay the costs of the insurance required by this section
52 and by the workers' compensation law and to carry out its other powers
53 and duties and to pay for any of its liabilities under section four-
54 teen-a of the workers' compensation law, the New York Jockey Injury

1 Compensation Fund, Inc. shall ascertain the total funding necessary and
2 establish the sums that are to be paid by all owners and trainers
3 licensed or required to be licensed under section two hundred twenty of
4 this article, to obtain the total funding amount required annually. In
5 order to provide that any sum required to be paid by an owner or trainer
6 is equitable, the fund shall establish payment schedules which reflect
7 such factors as are appropriate, including where applicable, the
8 geographic location of the racing corporation at which the owner or
9 trainer participates, the duration of such participation, the amount of
10 any purse earnings, the number of horses involved, or such other factors
11 as the fund shall determine to be fair, equitable and in the best inter-
12 ests of racing. In no event shall the amount deducted from an owner's
13 share of purses exceed two per centum; provided, however, for two thou-
14 sand sixteen the New York Jockey Injury Compensation Fund, Inc. may use
15 up to two million dollars from the account established pursuant to
16 subdivision nine of section two hundred eight of this article to pay the
17 annual costs required by this section and the funds from such account
18 shall not count against the two per centum of purses deducted from an
19 owner's share of purses. The amount deducted from an owner's share of
20 purses shall not exceed one per centum after April first, two thousand
21 seventeen. In the cases of multiple ownerships and limited racing
22 appearances, the fund shall equitably adjust the sum required.

23 § 2. Paragraph (a) of subdivision 9 of section 208 of the racing,
24 pari-mutuel wagering and breeding law, as added by chapter 18 of the
25 laws of 2008, is amended to read as follows:

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

35 § 3. This act shall take effect immediately.

36

PART QQ

37 Section 1. Subdivision 4 of section 400 of the economic development
38 law is amended by adding a new paragraph (e) to read as follows:

39 (e) provided, however that the requirement in paragraph (a) of this
40 subdivision that the participant be a new business shall not apply to a
41 closed facility as defined in paragraph (d) of subdivision eleven of
42 this section.

43 § 2. Subdivision 10 of section 400 of the economic development law is
44 amended by adding a new paragraph (d) to read as follows:

45 (d) Notwithstanding paragraph (b) of this subdivision, with respect to
46 a closed facility described in paragraph (d) of subdivision eleven of
47 this section, the economic transformation area shall consist only of the
48 acreage of the closed facility.

49 § 3. Subdivision 11 of section 400 of the economic development law, as
50 added by section 2 of part V of chapter 61 of the laws of 2011, is
51 amended to read as follows:

52 11. "Closed facility" means:

53 (a) a correctional facility, as defined in paragraph (a) of subdivi-
54 sion four of section two of the correction law, that has been selected

1 by the governor of the state of New York for closure after April first,
2 two thousand eleven but no later than March thirty-first, two thousand
3 twelve; or

4 (b) a facility operated by the office of children and family services
5 under article nineteen-G of the executive law that is closed pursuant to
6 authority granted to such office in a chapter of the laws of two thou-
7 sand eleven; [and] or

8 (c) which has been closed provided that the commissioner of correc-
9 tional services or the commissioner of the office of children and family
10 services has notified the commissioner of such closure[.]; or

11 (d) a facility previously owned by the state, and when operated, was
12 operated as a psychiatric facility pursuant to section 7.17 of the
13 mental hygiene law, and located within the metropolitan commuter trans-
14 portation district but outside New York city.

15 § 4. Subdivision 1 of section 402 of the economic development law, as
16 added by section 2 of part V of chapter 61 of the laws of 2011, is
17 amended to read as follows:

18 1. A business entity must submit a completed application as prescribed
19 by the commissioner by the later of (a) the date that is three years
20 after the date of the closure of the closed facility located in the
21 economic transformation area in which the business entity would operate
22 or (b) January first, two thousand fifteen. Provided however, in the
23 case of a closed facility described in paragraph (d) of subdivision
24 eleven of section four hundred of this article, a business entity must
25 submit a completed application as prescribed by the commissioner by
26 September first, two thousand sixteen.

27 § 5. Paragraph 1 of subdivision (h) of section 35 of the tax law, as
28 added by section 3 of part V of chapter 61 of the laws of 2011, is
29 amended to read as follows:

30 (1) A taxpayer which meets the requirements in this section shall be
31 eligible to claim a credit on qualified investments with respect to the
32 project for which the certificate of eligibility is issued. The credit
33 shall be equal to ten percent of the cost or other basis for federal
34 income tax purposes of the qualified investment at a closed facility.
35 Provided however, for purposes of this credit only, a taxpayer that is
36 the owner of a closed facility described in paragraph (d) of subdivision
37 eleven of section four hundred of the economic development law, shall be
38 allowed to include in its cost or other basis of the qualified invest-
39 ment at the closed facility, any demolition costs incurred at such
40 closed facility. Those demolition costs shall be limited to the follow-
41 ing costs: (i) asbestos removal costs, (ii) rental of demolition equip-
42 ment, (iii) personnel costs to operate the demolition equipment, (iv)
43 costs to remove and dispose of demolition debris, (v) the costs of any
44 permits, licenses and insurance necessary for the demolition. The total
45 amount of investment tax credit allowed for all eligible participants
46 under this subdivision for qualified investments located at each closed
47 facility shall not exceed eight million dollars. The credit shall be
48 equal to six percent of the cost or other basis for federal income tax
49 purposes for all other qualified investments, but the credit allowed to
50 a taxpayer may not exceed four million dollars.

51 § 6. This act shall take effect immediately, provided however, that
52 the amendments made to sections 400 and 402 of the economic development
53 law by sections one, two, three and four of this act and section 35 of
54 the tax law made by section five of this act shall not affect the repeal
55 of such sections and shall be deemed repealed therewith.

1

PART RR

2 Section 1. The tax law is amended by adding a new section 42 to read
3 as follows:

4 § 42. Farm workforce retention credit. (a) A taxpayer that is a farm
5 employer or an owner of a farm employer shall be eligible for a credit
6 against the tax imposed under article nine-A or twenty-two of this chap-
7 ter, pursuant to the provisions referenced in subdivision (g) of this
8 section.

9 (b) A farm employer is a corporation (including a New York S corpo-
10 ration), a sole proprietorship, a limited liability company or a part-
11 nership who is also an eligible farmer.

12 (c) For purposes of this subdivision, the term "eligible farmer" means
13 a taxpayer whose federal gross income from farming for the taxable year
14 is at least two-thirds of excess federal gross income. Excess federal
15 gross income means the amount of federal gross income from all sources
16 for the taxable year in excess of thirty thousand dollars. For the
17 purposes of this subdivision, payments from the state's farmland
18 protection program, administered by the department of agriculture and
19 markets, shall be included as federal gross income from farming for
20 otherwise eligible farmers.

21 (d) An eligible farm employee is an individual who is employed for
22 five hundred hours or more per taxable year, by a farm employer in New
23 York state, but excluding general executive officers of the farm employ-
24 er; provided, however, that where an individual employed by a farm
25 employer in New York state becomes unable to work due to a documented
26 illness or disability, the hours such individual is employed may be
27 combined with the hours worked by an individual hired to replace such
28 individual when determining whether the five hundred hour threshold has
29 been met.

30 (e) For taxable years beginning on or after January first, two thou-
31 sand seventeen and before January first, two thousand eighteen, the
32 amount of the credit allowed under this section shall be equal to the
33 product of the total number of eligible farm employees and two hundred
34 fifty dollars. For taxable years beginning on or after January first,
35 two thousand eighteen and before January first, two thousand nineteen,
36 the amount of the credit allowed under this section shall be equal to
37 the product of the total number of eligible farm employees and three
38 hundred dollars. For taxable years beginning on or after January first,
39 two thousand nineteen and before January first, two thousand twenty, the
40 amount of the credit allowed under this section shall be equal to the
41 product of the total number of eligible farm employees and five hundred
42 dollars. For taxable years beginning on or after January first, two
43 thousand twenty and before January first, two thousand twenty-one, the
44 amount of the credit allowed under this section shall be equal to the
45 product of the total number of eligible farm employees and four hundred
46 dollars. For taxable years beginning on or after January first, two
47 thousand twenty-one and before January first, two thousand twenty-two,
48 the amount of the credit allowed under this section shall be equal to
49 the product of the total number of eligible farm employees and six
50 hundred dollars.

51 (f) A taxpayer claiming the credit allowed under this section shall
52 not be allowed to claim any other tax credit allowed under this chapter
53 with respect to any eligible farm employee included in the total number
54 of eligible farm employees used to determine the amount of the credit
55 allowed under this section.

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

3 (1) Article 9-A: Section 210-B, subdivision 51.

4 (2) Article 22: Section 606, subsection (eee).

5 § 2. Section 210-B of the tax law is amended by adding a new subdivi-
6 sion 51 to read as follows:

7 51. Farm workforce retention credit. (a) Allowance of credit. A
8 taxpayer shall be allowed a credit, to be computed as provided in
9 section forty-two of this chapter, against the tax imposed by this arti-
10 cle.

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

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

26 <u>(xli) Farm workforce retention</u>	<u>Amount of credit under</u>
27 <u>credit under subsection (eee)</u>	<u>subdivision fifty-one of</u>
	28 <u>section two hundred ten-B</u>

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

31 (eee) Farm workforce retention credit. (1) A taxpayer shall be allowed
32 a credit, to be computed as provided in section forty-two of this chap-
33 ter, against the tax imposed by this article.

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

40 § 5. This act shall take effect immediately and shall apply only to
41 taxable years beginning on or after January 1, 2017 and before January
42 1, 2022.

43 PART SS

44 Section 1. Section 1617-a of the tax law, as amended by section 2 of
45 part Z-3 of chapter 62 of the laws of 2003, subdivision a as amended by
46 section 2 and subdivision e as added by section 3 of part O-1 of chapter
47 57 of the laws of 2009, subdivision b and paragraph 3 of subdivision f
48 as amended by chapter 137 of the laws of 2014, paragraph 4 of subdivi-
49 sion a and subdivision (h) as added by chapter 174 of the laws of 2013,
50 subdivision f as added by section 2 of part O of chapter 61 of the laws
51 of 2011, and subdivision g as amended by section 5 of part EE of chapter
52 59 of the laws of 2014, is amended to read as follows:

53 § 1617-a. Video lottery gaming. a. The [division of the lottery]
54 gaming commission is hereby authorized to license, pursuant to rules and

1 regulations to be promulgated by the [division of the lottery] gaming
2 commission, the operation of video lottery gaming at;

3 (1) Aqueduct, Monticello, Yonkers, Finger Lakes, and Vernon Downs
4 racetracks[, or at];

5 (2) any other racetrack licensed pursuant to article three of the
6 racing, pari-mutuel wagering and breeding law [that are] located in a
7 county or counties in which video lottery gaming has been authorized
8 pursuant to local law, excluding the licensed racetrack commonly
9 referred to in article three of the racing, pari-mutuel wagering and
10 breeding law as the "New York state exposition" held in Onondaga county
11 and the racetracks of the non-profit racing association known as Belmont
12 Park racetrack and the Saratoga thoroughbred racetrack[.];

13 (3) a maximum of two facilities, which shall be vendors for all
14 purposes under this article, neither to exceed one thousand video
15 lottery gaming devices, established within region three of zone one as
16 defined by section one thousand three hundred ten of the racing, pari-
17 mutuel wagering and breeding law, one each operated by a corporation
18 established pursuant to section five hundred two of the racing, pari-mu-
19 tuel wagering and breeding law in the Suffolk region and the Nassau
20 region to be located within a facility authorized pursuant to sections
21 one thousand eight or one thousand nine of the racing, pari-mutuel
22 wagering and breeding law; and

23 (4) Aqueduct racetrack, within the lottery terminal facility, pursuant
24 to an agreement between the corporation established pursuant to section
25 five hundred two of the racing, pari-mutuel wagering and breeding law in
26 the Nassau region and the operator of video lottery gaming at Aqueduct
27 racetrack, when such agreement is approved by the gaming commission and
28 as long as such agreement is in place, and when such agreement is accom-
29 panied by a detailed spending plan for the corporation established
30 pursuant to section five hundred two of the racing, pari-mutuel wagering
31 and breeding law in the Nassau region, which includes a plan for the
32 timely payment of liabilities due to the franchised corporation, and
33 when such video lottery devices are hosted by the operator of video
34 lottery gaming at Aqueduct racetrack on behalf of the corporation estab-
35 lished pursuant to section five hundred two of the racing, pari-mutuel
36 wagering and breeding law in the Nassau region in lieu of the develop-
37 ment of a facility in Nassau county as authorized by paragraph three of
38 subdivision a of this section. Such agreement reached by the parties
39 shall identify the agency principally responsible for funding, approving
40 or undertaking any actions of such agreement. Provided, however, nothing
41 in this paragraph shall infringe upon the rights of the corporation
42 established pursuant to section five hundred two of the racing, pari-mu-
43 tuel wagering and breeding law in the Nassau region to develop a facili-
44 ty pursuant to paragraph three of this subdivision upon the expiration,
45 termination, or withdrawal of such agreement.

46 b. Such rules and regulations shall provide, as a condition of licen-
47 sure, that racetracks to be licensed are certified to be in compliance
48 with all state and local fire and safety codes, that the [division]
49 gaming commission is afforded adequate space, infrastructure, and amen-
50 ities consistent with industry standards for such video lottery gaming
51 operations as found at racetracks in other states, that racetrack
52 employees involved in the operation of video lottery gaming pursuant to
53 this section are licensed by the [racing and wagering board,] gaming
54 commission and such other terms and conditions of licensure as the
55 [division] gaming commission may establish. Notwithstanding any incon-
56 sistent provision of law, video lottery gaming at a racetrack pursuant

1 to this section shall be deemed an approved activity for such racetrack
2 under the relevant city, county, town, or village land use or zoning
3 ordinances, rules, or regulations. No entity licensed by the [division]
4 gaming commission operating video lottery gaming pursuant to this
5 section may house such gaming activity in a structure deemed or approved
6 by the division as "temporary" for a duration of longer than eighteen-
7 months. Nothing in this section shall prohibit the [division] gaming
8 commission from licensing an entity to operate video lottery gaming at
9 an existing racetrack as authorized in this subdivision whether or not a
10 different entity is licensed to conduct horse racing and pari-mutuel
11 wagering at such racetrack pursuant to article two or three of the
12 racing, pari-mutuel wagering and breeding law.

13 The [division, in consultation with the racing and wagering board,]
14 gaming commission shall establish standards for approval of the tempo-
15 rary and permanent physical layout and construction of any facility or
16 building devoted to a video lottery gaming operation. In reviewing such
17 application for the construction or reconstruction of facilities related
18 or devoted to the operation or housing of video lottery gaming oper-
19 ations, the [division, in consultation with the racing and wagering
20 board,] gaming commission shall ensure that such facility:

21 (1) possesses superior consumer amenities and conveniences to encour-
22 age and attract the patronage of tourists and other visitors from across
23 the region, state, and nation.

24 (2) has adequate motor vehicle parking facilities to satisfy patron
25 requirements.

26 (3) has a physical layout and location that facilitates access to and
27 from the horse racing track portion of such facility to encourage patro-
28 nage of live horse racing events that are conducted at such track.

29 [(4) at a maximum of two facilities, neither to exceed one thousand
30 video lottery gaming devices, established within region three of zone
31 one as defined by section one thousand three hundred ten of the racing,
32 pari-mutuel wagering and breeding law, one each operated by a corpo-
33 ration established pursuant to section five hundred two of the racing,
34 pari-mutuel wagering and breeding law in the Suffolk region and the
35 Nassau region to be located within a facility authorized pursuant to
36 sections one thousand eight or one thousand nine of the racing, pari-mu-
37 tuel wagering and breeding law.] c. The [facilities] terminals author-
38 ized pursuant to [this] paragraph four of subdivision a of this section
39 shall [be deemed vendors for all purposes under this article.]:

40 (i) be deemed as operated by the corporation established pursuant to
41 section five hundred two of the racing, pari-mutuel wagering and breed-
42 ing law in the Nassau region for the purposes of section sixteen hundred
43 twelve of this chapter and the distributions therefrom made as if the
44 video lottery devices were located in Nassau county;

45 (ii) consist exclusively of electronic table games, unless otherwise
46 approved by the gaming commission and the director of the division of
47 the budget; and

48 (iii) be individually designated as hosted.

49 d. Notwithstanding any law, rule or regulation to the contrary, absent
50 the enactment of sufficient alternative revenue sources for the fran-
51 chised corporation in a chapter of law providing a statutory plan for
52 the prospective not-for-profit governing structure of The New York
53 Racing Association, Inc., any agreement for the operation of terminals
54 authorized pursuant to paragraph four of subdivision a of this section
55 shall require the operator of video lottery gaming at Aqueduct racetrack
56 to maintain racing support for general thoroughbred racing operations



1 and capital expenditures from video lottery gaming at Aqueduct race-
2 track, at the same level realized in two thousand thirteen, to be
3 adjusted by the consumer price index for all urban consumers, as
4 published annually by the United States department of labor, bureau of
5 labor statistics.

6 [b.] e. Video lottery gaming shall only be permitted for no more than
7 twenty consecutive hours per day and on no day shall such operation be
8 conducted past 6:00 a.m.

9 [c.] f. The [division] gaming commission shall promulgate such rules
10 and regulations as may be necessary for the implementation of video
11 lottery gaming in accordance with the provisions of this section and
12 paragraph five of subdivision a of section sixteen hundred twelve of
13 this article.

14 [d.] g. All workers engaged in the construction, reconstruction,
15 development, rehabilitation, or maintenance of any area for the purpose
16 of the installation, maintenance, or removal of video lottery gaming
17 terminals shall be subject to the provisions of articles eight and nine
18 of the labor law to the extent provided in such articles.

19 [e.] h. The [division] gaming commission shall not approve the
20 construction or alteration of any facility or building devoted to the
21 operation or housing of video lottery gaming until the person or entity
22 selected to operate such video lottery gaming shall have submitted to
23 the [division] gaming commission a statement of the location of the
24 proposed facility or building, together with a plan of such racetrack,
25 and plans of all existing buildings, seating stands and other structures
26 on the grounds of such racetrack, in such form as the [division] gaming
27 commission may prescribe, and such plans shall have been approved by the
28 [division] gaming commission. The [division] gaming commission, at the
29 expense of the applicant, may order such engineering examination thereof
30 as the [division] gaming commission may deem necessary. Such
31 construction or alteration may be made only with the approval of the
32 [division] gaming commission and after examination and inspection of the
33 plans thereof and the issuance of a permit [therefor] by the [division]
34 gaming commission.

35 [f.] i. (1) The [division] gaming commission may administer a free
36 play allowance program to offer players or prospective players of video
37 lottery games free play credits for the purpose of increasing revenues
38 earned by the video lottery gaming program for the support of education.
39 For the purposes of this subdivision, "free play allowance credit" means
40 a specified dollar amount that (i) may be used by a player to play a
41 video lottery game without paying any other consideration, and (ii) is
42 not used in the calculation of total revenue wagered after payout of
43 prizes.

44 (2) For each video lottery gaming facility, the [division] gaming
45 commission shall authorize the use of free play allowance credits if the
46 operator of such facility submits a written plan for the use of the free
47 play allowance that the [division] gaming commission determines is
48 designed to increase the amount of revenue earned by video lottery
49 gaming at such facility for the support of education.

50 (3) For each video lottery facility, the annual value of the free play
51 allowance credits authorized for use by the operator pursuant to this
52 subdivision shall not exceed an amount equal to fifteen percent of the
53 total amount wagered on video lottery games after payout of prizes. The
54 [division] gaming commission shall establish procedures to assure that
55 free play allowance credits do not exceed such amount.

1 (4) The [division] gaming commission, in conjunction with the director
2 of the budget, may suspend the use of free play allowance credits
3 authorized pursuant to this subdivision whenever they jointly determine
4 that the use of free play allowance credits are not effective in
5 increasing the amount of revenue earned for the support of education,
6 and such use may not be resumed unless the operator of such facility
7 submits a new or revised written plan for the use of the free play
8 allowance that the [division] gaming commission determines is designed
9 more effectively to produce an increase in the amount of revenue earned
10 by video lottery gaming at such facility for the support of education.

11 (5) Nothing in this subdivision shall be deemed to prohibit the opera-
12 tor of a video lottery facility from offering free play credits to play-
13 ers or prospective players of video lottery games when the value of such
14 free play credits is included in the calculation of the total amount
15 wagered on video lottery games and the total amount wagered after payout
16 of prizes, and the operator of such facility pays the [division] gaming
17 commission the full amount due as the result of such calculations.

18 (6) The [division] gaming commission may amend the contract with the
19 provider of the central computer system that controls the video lottery
20 network during the term of such contract in effect on the effective date
21 of this subdivision to provide additional consideration to such provider
22 in an amount determined by the [division] gaming commission to be neces-
23 sary to compensate for (i) processing free play allowance transactions
24 and (ii) system updates and modifications otherwise needed as of such
25 effective date.

26 [g.] j. Every video lottery gaming license, and every renewal license,
27 shall be valid for a period of five years, except that video lottery
28 gaming licenses issued before the effective date of this subdivision
29 shall be for a term expiring on the applicant's next birthday following
30 June thirtieth, two thousand fourteen.

31 The gaming commission may decline to renew any license after notice
32 and an opportunity for hearing if it determines that:

33 (1) the licensee has violated section one thousand six hundred seven
34 of this article;

35 (2) the licensee has violated any rule, regulation or order of the
36 gaming commission;

37 (3) the applicant or its officers, directors or significant stockhold-
38 ers, as determined by the gaming commission, have been convicted of a
39 crime involving moral turpitude; or

40 (4) that the character or fitness of the licensee and its officers,
41 directors, and significant stockholders, as determined by the gaming
42 commission is such that the participation of the applicant in video
43 lottery gaming or related activities would be inconsistent with the
44 public interest, convenience or necessity or with the best interests of
45 video lottery gaming generally.

46 [(h)] k. The gaming commission, subject to notice and an opportunity
47 for hearing, may revoke, suspend, and condition the license of the video
48 lottery gaming licensee, order the video lottery gaming licensee to
49 terminate the continued appointment, position or employment of officers
50 and directors, or order the video lottery gaming licensee to require
51 significant stockholders to divest themselves of all interests in the
52 video lottery gaming licensee.

53 § 2. Clause (H) of subparagraph (ii) of paragraph 1 of subdivision b
54 of section 1612 of the tax law, as amended by section 1 of part MM of
55 chapter 59 of the laws of 2015, is amended to read as follows:

1 (H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of
2 this subparagraph, the track operator of a vendor track and in the case
3 of Aqueduct, the video lottery terminal facility operator, shall be
4 eligible for a vendor's capital award of up to four percent of the total
5 revenue wagered at the vendor track after payout for prizes pursuant to
6 this chapter, which shall be used exclusively for capital project
7 investments to improve the facilities of the vendor track which promote
8 or encourage increased attendance at the video lottery gaming facility
9 including, but not limited to hotels, other lodging facilities, enter-
10 tainment facilities, retail facilities, dining facilities, events
11 arenas, parking garages and other improvements that enhance facility
12 amenities; provided that such capital investments shall be approved by
13 the division, in consultation with the state racing and wagering board,
14 and that such vendor track demonstrates that such capital expenditures
15 will increase patronage at such vendor track's facilities and increase
16 the amount of revenue generated to support state education programs. The
17 annual amount of such vendor's capital awards that a vendor track shall
18 be eligible to receive shall be limited to two million five hundred
19 thousand dollars, except for Aqueduct racetrack, for which there [shall
20 be no vendor's capital awards] shall be no annual limit, provided,
21 however, that any such capital award for the Aqueduct video lottery
22 terminal facility operator shall be one percent of the total revenue
23 wagered at the video lottery terminal facility after payout for prizes
24 pursuant to this chapter until the earlier of the designation of one
25 thousand video lottery devices as hosted pursuant to paragraph four of
26 subdivision a of section sixteen hundred seventeen-a of this chapter or
27 April first, two thousand nineteen and shall then be four percent of the
28 total revenue wagered at the video lottery terminal facility after
29 payout for prizes pursuant to this chapter, provided, further, that such
30 capital award shall only be provided pursuant to an agreement with the
31 operator to construct an expansion of the facility, hotel, and conven-
32 tion and exhibition space requiring a minimum capital investment of
33 three hundred million dollars. Except for tracks having less than one
34 thousand one hundred video gaming machines, and except for a vendor
35 track located west of State Route 14 from Sodus Point to the Pennsylva-
36 nia border within New York, and except for Aqueduct racetrack each track
37 operator shall be required to co-invest an amount of capital expenditure
38 equal to its cumulative vendor's capital award. For all tracks, except
39 for Aqueduct racetrack, the amount of any vendor's capital award that is
40 not used during any one year period may be carried over into subsequent
41 years ending before April first, two thousand sixteen. Any amount
42 attributable to a capital expenditure approved prior to April first, two
43 thousand sixteen and completed before April first, two thousand eigh-
44 teen; or approved prior to April first, two thousand twenty and
45 completed before April first, two thousand twenty-two for a vendor track
46 located west of State Route 14 from Sodus Point to the Pennsylvania
47 border within New York, shall be eligible to receive the vendor's capi-
48 tal award. In the event that a vendor track's capital expenditures,
49 approved by the division prior to April first, two thousand sixteen and
50 completed prior to April first, two thousand eighteen, exceed the vendor
51 track's cumulative capital award during the five year period ending
52 April first, two thousand sixteen, the vendor shall continue to receive
53 the capital award after April first, two thousand sixteen until such
54 approved capital expenditures are paid to the vendor track subject to
55 any required co-investment. In no event shall any vendor track that
56 receives a vendor fee pursuant to clause (F) or (G) of this subparagraph

1 be eligible for a vendor's capital award under this section. Any opera-
2 tor of a vendor track which has received a vendor's capital award,
3 choosing to divest the capital improvement toward which the award was
4 applied, prior to the full depreciation of the capital improvement in
5 accordance with generally accepted accounting principles, shall reim-
6 burse the state in amounts equal to the total of any such awards. Any
7 capital award not approved for a capital expenditure at a video lottery
8 gaming facility by April first, two thousand sixteen shall be deposited
9 into the state lottery fund for education aid; and

10 § 3. Section 503 of the racing, pari-mutuel wagering and breeding law
11 is amended by adding a new subdivision 14 to read as follows:

12 14. Nassau regional off-track betting is authorized to enter into and
13 perform an agreement pursuant to paragraph four of subdivision a of
14 section sixteen hundred seventeen-a of the tax law to have video lottery
15 terminals authorized pursuant to paragraph three of subdivision a of
16 section sixteen hundred seventeen-a of the tax law hosted within the
17 Aqueduct video lottery terminal facility.

18 § 4. This act shall take effect immediately, provided, however, that
19 section two of this act shall take effect upon the designation of four
20 hundred video lottery devices as hosted pursuant to paragraph (4) of
21 subdivision a of section 1617-a of the tax law, as added by section one
22 of this act; provided, further, that the New York State gaming commis-
23 sion shall notify the legislative bill drafting commission upon the
24 occurrence of the enactment of the legislation provided for in section
25 two of this act in order that the commission may maintain an accurate
26 and timely effective data base of the official text of the laws of the
27 state of New York in furtherance of effectuating the provisions of
28 section 44 of the legislative law and section 70-b of the public offi-
29 cers law.

30 PART TT

31 Section 1. Subparagraph (B) of paragraph 1 of subsection (a) of
32 section 601 of the tax law is REPEALED and a new subparagraph (B) is
33 added to read as follows:

34 (B) (i) For tax years beginning after two thousand seventeen, the
35 brackets and dollars amounts in subparagraph (A) of this paragraph, as
36 adjusted by the cost of living adjustment prescribed in section six
37 hundred one-a of this part for tax years two thousand thirteen through
38 two thousand seventeen, shall apply. In addition, the tax rates in
39 subparagraph (A) of this paragraph shall apply, except as noted in
40 clause (ii) of this subparagraph, and except that the rate applicable to
41 New York taxable incomes in excess of \$300,000 as adjusted by the cost
42 of living adjustment prescribed in section six hundred one-a of this
43 part for tax years two thousand thirteen through two thousand seventeen,
44 shall be the highest tax rate specified in the provisions of this
45 subparagraph as enacted by chapter fifty-nine of the laws of two thou-
46 sand thirteen prior to its repeal by a chapter of the laws of two thou-
47 sand sixteen that added this subparagraph. For purposes of clause (ii)
48 of this subparagraph, the brackets specified shall be as adjusted by the
49 cost of living adjustment prescribed in section six hundred one-a of
50 this part for tax years two thousand thirteen through two thousand
51 seventeen. After making the cost of living adjustments to the dollar
52 amounts in subparagraph (A) of this paragraph, the dollar amounts in the
53 tax calculations for the income brackets for New York taxable income

1 over \$26,000 shall be adjusted to reflect the rate reductions in clause
2 (ii) of this subparagraph.

3 (ii) (I) For tax year two thousand eighteen, the following tax rates
4 shall apply: If New York taxable income is over \$26,000 but not over
5 \$40,000, the tax rate shall be 5.90%. If New York taxable income is over
6 \$40,000 but not over \$150,000, the tax rate shall be 6.33%. If New York
7 taxable income is over \$150,000 but not over \$300,000, the tax rate
8 shall be 6.57%.

9 (II) For tax year two thousand nineteen, the following tax rates shall
10 apply: If New York taxable income is over \$26,000 but not over \$40,000,
11 the tax rate shall be 5.90%. If New York taxable income is over \$40,000
12 but not over \$150,000, the tax rate shall be 6.21%. If New York taxable
13 income is over \$150,000 but not over \$300,000, the tax rate shall be
14 6.49%.

15 (III) For tax year two thousand twenty, the following tax rates shall
16 apply: If New York taxable income is over \$26,000 but not over \$40,000,
17 the tax rate shall be 5.90%. If New York taxable income is over \$40,000
18 but not over \$150,000, the tax rate shall be 6.09%. If New York taxable
19 income is over \$150,000 but not over \$300,000, the tax rate shall be
20 6.41%.

21 (IV) For tax year two thousand twenty-one, the following tax rates
22 shall apply: If New York taxable income is over \$26,000 but not over
23 \$40,000, the tax rate shall be 5.90%. If New York taxable income is over
24 \$40,000 but not over \$150,000, the tax rate shall be 5.97%. If New York
25 taxable income is over \$150,000 but not over \$300,000, the tax rate
26 shall be 6.33%.

27 (V) For tax year two thousand twenty-two, the following tax rates
28 shall apply: If New York taxable income is over \$26,000 but not over
29 \$150,000, the tax rate shall be 5.85%. If New York taxable income is
30 over \$150,000 but not over \$300,000, the tax rate shall be 6.25%.

31 (VI) For tax year two thousand twenty-three, the following tax rates
32 shall apply: If New York taxable income is over \$26,000 but not over
33 \$150,000, the tax rate shall be 5.73%. If New York taxable income is
34 over \$150,000 but not over \$300,000, the tax rate shall be 6.17%.

35 (VII) For tax year two thousand twenty-four, the following tax rates
36 shall apply: If New York taxable income is over \$26,000 but not over
37 \$150,000, the tax rate shall be 5.61%. If New York taxable income is
38 over \$150,000 but not over \$300,000, the tax rate shall be 6.09%.

39 (VIII) For tax years after two thousand twenty-four, the following tax
40 rates shall apply: If New York taxable income is over \$26,000 but not
41 over \$150,000, the tax rate shall be 5.50%. If New York taxable income
42 is over \$150,000 but not over \$300,000, the tax rate shall be 6.00%.

43 § 2. Subparagraph (B) of paragraph 1 of subsection (b) of section 601
44 of the tax law is REPEALED and a new subparagraph (B) is added to read
45 as follows:

46 (B) (i) For tax years beginning after two thousand seventeen, the
47 brackets and dollars amounts in subparagraph (A) of this paragraph, as
48 adjusted by the cost of living adjustment prescribed in section six
49 hundred one-a of this part for tax years two thousand thirteen through
50 two thousand seventeen, shall apply. In addition, the tax rates in
51 subparagraph (A) of this paragraph shall apply, except as noted in
52 clause (ii) of this subparagraph, and except that the rate applicable to
53 New York taxable incomes in excess of \$250,000 as adjusted by the cost
54 of living adjustment prescribed in section six hundred one-a of this
55 part for tax years two thousand thirteen through two thousand seventeen
56 shall be the highest tax rate specified in the provisions of this

1 subparagraph as enacted by chapter fifty-nine of the laws of two thou-
 2 sand thirteen prior to its repeal by a chapter of the laws of two thou-
 3 sand sixteen that added this subparagraph. For purposes of clause (ii)
 4 of this subparagraph, the brackets specified shall be as adjusted by
 5 the cost of living adjustment prescribed in section six hundred one-a of
 6 this part for tax years two thousand thirteen through two thousand
 7 seventeen. After making the cost of living adjustments to the dollar
 8 amounts in subparagraph (A) of this paragraph, the dollar amounts in
 9 the tax calculations for the income brackets for New York taxable
 10 income over \$19,500 shall be adjusted to reflect the rate reductions in
 11 clause (ii) of this subparagraph.

12 (ii) (I) For tax year two thousand eighteen, the following tax rates
 13 shall apply: If New York taxable income is over \$19,500 but not over
 14 \$30,000, the tax rate shall be 5.90%. If New York taxable income is
 15 over \$30,000 but not over \$100,000, the tax rate shall be 6.33%. If New
 16 York taxable income is over \$100,000 but not over \$250,000, the tax
 17 rate shall be 6.57%.

18 (II) For tax year two thousand nineteen, the following tax rates shall
 19 apply: If New York taxable income is over \$19,500 but not over \$30,000,
 20 the tax rate shall be 5.90%. If New York taxable income is over \$30,000
 21 but not over \$100,000, the tax rate shall be 6.21%. If New York taxable
 22 income is over \$100,000 but not over \$250,000, the tax rate shall be
 23 6.49%.

24 (III) For tax year two thousand twenty, the following tax rates shall
 25 apply: If New York taxable income is over \$19,500 but not over \$30,000,
 26 the tax rate shall be 5.90%. If New York taxable income is over \$30,000
 27 but not over \$100,000, the tax rate shall be 6.09%. If New York taxable
 28 income is over \$100,000 but not over \$250,000, the tax rate shall be
 29 6.41%.

30 (IV) For tax year two thousand twenty-one, the following tax rates
 31 shall apply: If New York taxable income is over \$19,500 but not over
 32 \$30,000, the tax rate shall be 5.90%. If New York taxable income is over
 33 \$30,000 but not over \$100,000, the tax rate shall be 5.97%. If New York
 34 taxable income is over \$100,000 but not over \$250,000, the tax rate
 35 shall be 6.33%.

36 (V) For tax year two thousand twenty-two, the following tax rates
 37 shall apply: If New York taxable income is over \$19,500 but not over
 38 \$100,000, the tax rate shall be 5.85%. If New York taxable income is
 39 over \$100,000 but not over \$250,000, the tax rate shall be 6.25%.

40 (VI) For tax year two thousand twenty-three, the following tax rates
 41 shall apply: If New York taxable income is over \$19,500 but not over
 42 \$100,000, the tax rate shall be 5.73%. If New York taxable income is
 43 over \$100,000 but not over \$250,000, the tax rate shall be 6.17%.

44 (VII) For tax year two thousand twenty-four, the following tax rates
 45 shall apply: If New York taxable income is over \$19,500 but not over
 46 \$100,000, the tax rate shall be 5.61%. If New York taxable income is
 47 over \$100,000 but not over \$250,000, the tax rate shall be 6.09%.

48 (VIII) For tax years after two thousand twenty-four, the following tax
 49 rates shall apply: If New York taxable income is over \$19,500 but not
 50 over \$100,000, the tax rate shall be 5.50%. If New York taxable income
 51 is over \$100,000 but not over \$250,000, the tax rate shall be 6.00%.

52 § 3. Subparagraph (B) of paragraph 1 of subsection (c) of section 601
 53 of the tax law is REPEALED and a new subparagraph (B) is added to read
 54 as follows:

55 (B) (i) For tax years beginning after two thousand seventeen, the
 56 brackets and dollars amount in subparagraph (A) of this paragraph, as

1 adjusted by the cost of living adjustment prescribed in section six
2 hundred one-a of this part for tax years two thousand thirteen through
3 two thousand seventeen, shall apply. In addition, the tax rates in
4 subparagraph (A) of this paragraph shall apply, except as noted in
5 clause (ii) of this subparagraph, and except that the rate applicable to
6 New York taxable income in excess of \$200,000 as adjusted by the cost of
7 living adjustment prescribed in section six hundred one-a of this part
8 for tax years two thousand thirteen through two thousand seventeen shall
9 be the highest tax rate specified in the provisions of this subparagraph
10 as enacted by chapter fifty-nine of the laws of two thousand thirteen
11 prior to its repeal by a chapter of the laws of two thousand sixteen
12 that added this subparagraph. For purposes of clause (ii) of this
13 subparagraph, the brackets specified shall be as adjusted by the cost of
14 living adjustment prescribed in section six hundred one-a of this part
15 for tax years two thousand thirteen through two thousand seventeen.
16 After making the cost of living adjustments to the dollar amounts in
17 subparagraph (A) of this paragraph, the dollar amounts in the tax calcu-
18 lations for the income brackets for New York taxable income over \$13,000
19 shall be adjusted to reflect the rate reductions in clause (ii) of this
20 subparagraph.

21 (ii) (I) For tax year two thousand eighteen, the following tax rates
22 shall apply: If New York taxable income is over \$13,000 but not over
23 \$20,000, the tax rate shall be 5.90%. If New York taxable income is over
24 \$20,000 but not over \$75,000, the tax rate shall be 6.33%. If New York
25 taxable income is over \$75,000 but not over \$200,000, the tax rate shall
26 be 6.57%.

27 (II) For tax year two thousand nineteen, the following tax rates shall
28 apply: If New York taxable income is over \$13,000 but not over \$20,000,
29 the tax rate shall be 5.90%. If New York taxable income is over \$20,000
30 but not over \$75,000, the tax rate shall be 6.21%. If New York taxable
31 income is over \$75,000 but not over \$200,000, the tax rate shall be
32 6.49%.

33 (III) For tax year two thousand twenty, the following tax rates shall
34 apply: If New York taxable income is over \$13,000 but not over \$20,000,
35 the tax rate shall be 5.90%. If New York taxable income is over \$20,000
36 but not over \$75,000, the tax rate shall be 6.09%. If New York taxable
37 income is over \$75,000 but not over \$200,000, the tax rate shall be
38 6.41%.

39 (IV) For tax year two thousand twenty-one, the following tax rates
40 shall apply: If New York taxable income is over \$13,000 but not over
41 \$20,000, the tax rate shall be 5.90%. If New York taxable income is over
42 \$20,000 but not over \$75,000, the tax rate shall be 5.97%. If New York
43 taxable income is over \$75,000 but not over \$200,000, the tax rate shall
44 be 6.33%.

45 (V) For tax year two thousand twenty-two, the following tax rates
46 shall apply: If New York taxable income is over \$13,000 but not over
47 \$75,000, the tax rate shall be 5.85%. If New York taxable income is over
48 \$75,000 but not over \$200,000, the tax rate shall be 6.25%.

49 (VI) For tax year two thousand twenty-three, the following tax rates
50 shall apply: If New York taxable income is over \$13,000 but not over
51 \$75,000, the tax rate shall be 5.73%. If New York taxable income is over
52 \$75,000 but not over \$200,000, the tax rate shall be 6.17%.

53 (VII) For tax year two thousand twenty-four, the following tax rates
54 shall apply: If New York taxable income is over \$13,000 but not over
55 \$75,000, the tax rate shall be 5.61%. If New York taxable income is over
56 \$75,000 but not over \$200,000, the tax rate shall be 6.09%.



1 (VIII) For tax years after two thousand twenty-four, the following tax
2 rates shall apply: If New York taxable income is over \$13,000 but not
3 over \$75,000, the tax rate shall be 5.50%. If New York taxable income is
4 over \$75,000 but not over \$200,000, the tax rate shall be 6.00%.

5 § 4. The opening paragraph of subsection (d-1) of section 601 of the
6 tax law, as amended by section 4 of part FF of chapter 59 of the laws of
7 2013, is amended to read as follows:

8 Alternative tax table benefit recapture. Notwithstanding the
9 provisions of subsection (d) of this section, for taxable years begin-
10 ning after two thousand eleven [and before two thousand eighteen], there
11 is hereby imposed a supplemental tax in addition to the tax imposed
12 under subsections (a), (b) and (c) of this section for the purpose of
13 recapturing the benefit of the tax tables contained in such subsections.
14 During these taxable years, any reference in this chapter to subsection
15 (d) of this section shall be read as a reference to this subsection.

16 § 5. The opening paragraph of paragraph 1 of subsection (d-1) of
17 section 601 of the tax law, as added by section 7 of part A of chapter
18 56 of the laws of 2011, is amended to read as follows:

19 For resident married individuals filing joint returns and resident
20 surviving spouses, the supplemental tax shall be an amount equal to the
21 sum of the tax table benefits described in subparagraphs (A), (B), (C)
22 and (D) of this paragraph multiplied by their respective fractions in
23 such subparagraphs. Furthermore, in making the calculations described
24 in these subparagraphs in taxable years beginning after tax year two
25 thousand seventeen, the applicable tax rates specified in subparagraph
26 (B) of paragraph one of subsection (a) of this section shall be substi-
27 tuted for the rates referenced in these subparagraphs.

28 § 6. The opening paragraph of paragraph 2 of subsection (d-1) of
29 section 601 of the tax law, as added by section 7 of part A of chapter
30 56 of the laws of 2011, is amended to read as follows:

31 For resident heads of households, the supplemental tax shall be an
32 amount equal to the sum of the tax table benefits described in subpara-
33 graphs (A), (B) and (C) of this paragraph multiplied by their respective
34 fractions in such subparagraphs. Furthermore, in making the calcu-
35 lations described in these subparagraphs in taxable years beginning
36 after tax year two thousand seventeen, the applicable tax rates speci-
37 fied in subparagraph (B) of paragraph one of subsection (b) of this
38 section shall be substituted for the rates referenced in these subpara-
39 graphs.

40 § 7. The opening paragraph of paragraph 3 of subsection (d-1) of
41 section 601 of the tax law, as added by section 7 of part A of chapter
42 56 of the laws of 2011, is amended to read as follows:

43 For resident unmarried individuals, resident married individuals
44 filing separate returns and resident estates and trusts, the supple-
45 mental tax shall be an amount equal to the sum of the tax table benefits
46 described in subparagraphs (A), (B) and (C) of this paragraph multiplied
47 by their respective fractions in such subparagraphs. Furthermore, in
48 making the calculations described in these subparagraphs in taxable
49 years beginning after tax year two thousand seventeen, the applicable
50 tax rates specified in subparagraph (B) of paragraph one of subsection
51 (c) of this section shall be substituted for the rates referenced in
52 these subparagraphs.

53 § 8. Subsection (d-2) of section 601 of the tax law is REPEALED.

54 § 9. Notwithstanding any provision in the state administrative proce-
55 dure act to the contrary, the cost of living adjustment of the tax
56 brackets and dollar amounts in the tax tables and the withholding tables

1 and methods required as a result of this act shall not be prescribed by
2 regulation.

3 § 10. This act shall take effect immediately.

4 PART UU

5 Section 1. Section 282 of the tax law is amended by adding a new
6 subdivision 27 to read as follows:

7 27. "Wholesaler of motor fuel" means any person, firm, association or
8 corporation who or which: (1) is not a distributor of motor fuel; (2)
9 makes a sale of motor fuel in this state other than a retail sale not in
10 bulk; and (3) (A) makes any purchases of motor fuel for resale within the
11 region set forth in subparagraph (i) or (ii) of paragraph one of subdi-
12 vision (e) of section eleven hundred eleven of this chapter; or (B)
13 makes any sales of motor fuel, other than retail sales not in bulk,
14 within the region set forth in subparagraph (i) or (ii) of paragraph one
15 of subdivision (e) of section eleven hundred eleven of this chapter.
16 For the purposes of this article when used with respect to motor fuel, a
17 "retail sale not in bulk" means the making or offering to make any sale
18 of motor fuel to a consumer of such fuel which is delivered directly
19 into a motor vehicle for use in the operation of such vehicle. A "retail
20 sale in bulk" means the making or offering to make any sale of motor
21 fuel to a consumer which is other than a "retail sale not in bulk".

22 § 2. The tax law is amended by adding a new section 283-d to read as
23 follows:

24 § 283-d. Registration of wholesalers of motor fuel. (a) Registration
25 required. Each wholesaler of motor fuel must be registered with the
26 department under this section. No wholesaler of motor fuel shall make a
27 sale of motor fuel in this state other than a retail sale not in bulk
28 unless such wholesaler is so registered. The department, upon the
29 application of a person, shall register such person as a wholesaler of
30 motor fuel except that the commissioner may refuse to register an appli-
31 cant for any of the grounds specified in subdivision two or five of
32 section two hundred eighty-three of this article or in subdivision (c)
33 of this section. The application shall be in such form and contain such
34 information as the commissioner shall prescribe. All of the provisions
35 of subdivisions two, four, five, six, seven, eight, nine and ten of
36 section two hundred eighty-three of this article relating to registra-
37 tion of distributors shall be applicable to the registration of whole-
38 salers of motor fuel under this section with the same force and effect
39 as if the language of such subdivisions had been incorporated in full in
40 this section and had expressly referred to the registration of whole-
41 salers of motor fuel, with such modification as may be necessary in
42 order to adapt the language of such provisions to the provisions of this
43 section, provided, specifically, that the term "distributor" shall be
44 read as "wholesaler of motor fuel." Provided, however, that if the
45 commissioner is satisfied that the requirements of such provisions for
46 registration are not necessary in order to protect tax revenues, the
47 commissioner may limit or modify such requirements with respect to any
48 person not required to be registered as a distributor of motor fuel.

49 (b) Bond or other security. The commissioner may require a wholesaler
50 of motor fuel seeking a registration to file with the department a bond
51 issued by a surety company approved by the superintendent of financial
52 services as to solvency and responsibility and authorized to transact
53 business in this state or other security acceptable to the commissioner,
54 in such amount as the commissioner may fix to secure the performance by

1 such wholesaler of motor fuel of the duties and responsibilities
2 required (i) pursuant to this article and (ii) pursuant to articles
3 twenty-eight and twenty-nine of this chapter with respect to motor fuel.
4 The commissioner may require that such a bond or other security be filed
5 before a wholesaler of motor fuel is registered, and the amount thereof
6 may be increased at any time when in the commissioner's judgment the
7 same is necessary. If securities are deposited as security under this
8 subdivision, such securities shall be kept in the joint custody of the
9 comptroller and the commissioner and may be sold by the commissioner if
10 it becomes necessary so to do in order to recover against such whole-
11 saler of motor fuel but no such sale shall be had until after such
12 wholesaler of motor fuel shall have had opportunity to litigate the
13 validity of the liability if it elects to do so. Upon any such sale the
14 surplus, if any, above the sums due shall be returned to such wholesaler
15 of motor fuel. The department, when authorized by the wholesaler of
16 motor fuel, shall furnish information regarding the registration of the
17 wholesaler of motor fuel and any other information which the wholesaler
18 of motor fuel authorizes it to disclose.

19 (c) Refusal to register. For the purposes of determining whether to
20 refuse an application for registration under this section, the refer-
21 ences in subdivision two of section two hundred eighty-three of this
22 article to employees or shareholders under a duty to file a return under
23 or pursuant to the authority of this article or pay the taxes imposed by
24 or pursuant to the authority of this article on behalf of the applicant
25 or another person shall be deemed to also include an employee under a
26 duty to file a return or pay taxes under or pursuant to the authority of
27 this article on behalf of such applicant or other person. In addition to
28 the grounds specified in section two hundred eighty-three of this arti-
29 cle, the commissioner may refuse to register an applicant where the
30 commissioner ascertains that the applicant, an officer, director or
31 partner of the applicant, a shareholder directly or indirectly owning
32 more than ten percent of the number of shares of stock of such applicant
33 (where such applicant is a corporation) entitling the holder thereof to
34 vote for the election of directors or trustees, or an employee or share-
35 holder of such applicant who, as such employee or shareholder is under a
36 duty to file a return under or pursuant to the authority of this article
37 or to pay the taxes imposed by or pursuant to the authority of this
38 article on behalf of the applicant; (1) has committed any of the acts or
39 omissions which are, or was convicted as, specified in subdivision (d)
40 of this section within the preceding five years; or (2) was an officer,
41 director or partner of another person, or who directly or indirectly
42 owned more than ten percent of the shares of stock of another person
43 (where such other person is a corporation) entitling the holder thereof
44 to vote for the election of directors or trustees, or who was an employ-
45 ee or shareholder of another person under a duty to file a return under
46 or pursuant to the authority of this article or pay the taxes imposed by
47 or pursuant to the authority of this article on behalf of such other
48 person at the time such other person committed any of the acts or omis-
49 sions which are, or was convicted as, specified in subdivision (d) of
50 this section within the preceding five years.

51 (d) Cancellation or suspension of registration. The grounds for a
52 cancellation or suspension of a registration under this section as a
53 wholesaler of motor fuel are the same as those grounds specified in a
54 section two hundred eighty-three of this article and, in addition to
55 such grounds, the following grounds relating to this article shall
56 apply:

1 (1) A registration as a wholesaler of motor fuel may be cancelled or
 2 suspended if the commissioner determines that a registrant or an offi-
 3 cer, director or partner of the registrant, a shareholder directly or
 4 indirectly owning more than ten percent of the number of shares of stock
 5 of such registrant (where such registrant is a corporation) entitling
 6 the holder thereof to vote for the election of directors or trustees, or
 7 an employee or shareholder of such registrant under a duty to file a
 8 return under or pursuant to the authority of this article or to pay the
 9 taxes imposed by or pursuant to the authority of this article on behalf
 10 of the registrant

11 (A) fails to file or maintain in full force and effect a bond or other
 12 security when required pursuant to subdivision (b) of this section or
 13 when the amount thereof is increased,

14 (B) fails to comply with any of the provisions of this article or any
 15 rule or regulation adopted pursuant to this article by the commissioner,

16 (C) knowingly aids and abets another person in violating any of the
 17 provisions of this article or any rule or regulation adopted pursuant to
 18 this article by the commissioner,

19 (D) transfers its registration as a wholesaler of motor fuel without
 20 the prior written approval of the commissioner,

21 (E) with respect to a wholesaler of motor fuel which is a corporation,
 22 has been dissolved pursuant to section two hundred three-a and subdivi-
 23 sion (d) of section three hundred ten of this chapter,

24 (F) commits fraud or deceit in his, her or its operations as a whole-
 25 saler of motor fuel or has committed fraud or deceit in procuring his,
 26 her or its registration,

27 (G) has impersonated any person represented to be a wholesaler of
 28 motor fuel under this article but not in fact registered as a wholesaler
 29 of motor fuel, or

30 (H) has knowingly aided and abetted the distribution of motor fuel, by
 31 any person which such registrant or such other person knows has not been
 32 registered by the commissioner as required under this article.

33 (2) A registration as a wholesaler of motor fuel may be cancelled or
 34 suspended if the commissioner determines that a registrant or an offi-
 35 cer, director or partner of the registrant, a shareholder directly or
 36 indirectly owning more than ten percent of the number of shares of stock
 37 of such registrant (where such registrant is a corporation) entitling
 38 the holder thereof to vote for the election of directors or trustees, or
 39 an employee or shareholder of such registrant under a duty to file a
 40 return under or pursuant to the authority of this article or to pay the
 41 taxes imposed by or pursuant to the authority of this article on behalf
 42 of the registrant, was an officer, director or partner of another person
 43 or was a shareholder directly or indirectly owning more than ten percent
 44 of the number of shares of stock of another person (where such other
 45 person is a corporation) entitling the holder thereof to vote for the
 46 election of directors or trustees, or was an employee or shareholder of
 47 another person under a duty to file a return under or pursuant to the
 48 authority of this article or to pay the taxes imposed by or pursuant to
 49 the authority of this article on behalf of such other person at the time
 50 such other person committed any of the acts specified in paragraph one
 51 of this subdivision within the preceding five years.

52 (e) Cancellation or suspension of registration prior to a hearing.
 53 The grounds for cancelling or suspending a registration as a wholesaler
 54 of motor fuel prior to a hearing shall be the same as those specified in
 55 subdivision five of section two hundred eighty-three of this article

1 and, in addition to such grounds, the following grounds relating to this
2 article shall apply:

3 (1) the failure to file a return within ten days of the date
4 prescribed for filing a return under this article if the registrant
5 shall have failed to file such return within ten days after the date the
6 demand therefor is sent by registered or certified mail to the address
7 of the wholesaler of motor fuel given in its application, or an address
8 substituted therefor as provided in subdivision five of section two
9 hundred eighty-three of this article,

10 (2) the failure to continue to maintain in full force and effect at
11 all times the bond or other security required to be filed pursuant to
12 subdivision (b) of this section, provided, however, that if a surety
13 bond is cancelled prior to expiration, the commissioner may after
14 considering all the relevant circumstances make such other arrangements,
15 and may require the filing of such other bond or other security as it
16 deems appropriate,

17 (3) the transfer of a registration as a wholesaler of motor fuel with-
18 out the prior written approval of the commissioner, or

19 (4) with respect to a wholesaler of motor fuel which is a corporation,
20 the dissolution or annulment of such corporation pursuant to section
21 three hundred ten of this chapter.

22 § 3. Section 287 of the tax law is amended by adding a new subdivision
23 3 to read as follows:

24 3. Every wholesaler of motor fuel shall, on or before the twentieth
25 day of each month, file with the department a return, on forms
26 prescribed by the commissioner stating the number of gallons of motor
27 fuel purchased and sold by such wholesaler in the state during the
28 preceding calendar month. For each purchase and sale, the date, number
29 of gallons of motor fuel purchased or sold, and the name of the seller
30 or purchaser shall be set forth on the return. Such returns shall
31 contain such further information as the commissioner shall require. The
32 fact that a wholesaler's name is signed to a filed return shall be prima
33 facie evidence for all purposes that the return was actually signed by
34 such wholesaler of motor fuel.

35 § 4. Section 1102 of the tax law is amended by adding a new subdivi-
36 sion (f) to read as follows:

37 (f) Every wholesaler of motor fuel, as such term is defined by subdi-
38 vision twenty-seven of section two hundred eighty-two of this chapter,
39 shall pay or be entitled to a credit or refund of the tax imposed by
40 this section on gallons of motor fuel under the circumstances set forth
41 in paragraph three of subdivision (e) of section eleven hundred eleven
42 of this article.

43 § 5. Subdivision (e) of section 1111 of the tax law is amended by
44 adding a new paragraph 3 to read as follows:

45 (3) When a wholesaler of motor fuel sells motor fuel in a region, as
46 defined in paragraph one of this subdivision, different from the region
47 in which such motor fuel was purchased:

48 (i) if the region in which it sells the motor fuel has a higher
49 prepaid rate as set forth in this subdivision than the region in which
50 the wholesaler purchased the motor fuel in, the wholesaler shall pay to
51 the department the difference in the rates for the gallonage sold.

52 (ii) if the region in which it sells the motor fuel has a lower
53 prepaid rate as set forth in this subdivision than the region in which
54 the wholesaler purchased the motor fuel, the wholesaler shall be enti-
55 tled to a credit or refund for the difference in the rates for the
56 gallonage sold.

1 § 6. The tax law is amended by adding a new section 1812-g to read as
2 follows:

3 § 1812-g. Person not registered as a wholesaler of motor fuel. Any
4 person who, while not registered as a wholesaler of motor fuel pursuant
5 to the provisions of article twelve-A of this chapter, makes a sale of
6 motor fuel in this state other than a retail sale not in bulk, shall be
7 guilty of a class E felony.

8 § 7. This act shall take effect immediately; provided, however, that
9 sections two, three, four, five and six of this act shall take effect
10 December 1, 2016. Effective immediately, any rules, regulations and
11 agreements necessary to implement the provisions of this act on its
12 effective date are authorized and directed to be completed on or before
13 such date.

14 PART VV

15 Section 1. Subdivision (a) of section 25-a of the labor law, as
16 amended by section 1 of part AA of chapter 56 of the laws of 2015, is
17 amended to read as follows:

18 (a) The commissioner is authorized to establish and administer the
19 program established under this section to provide tax incentives to
20 employers for employing at risk youth in part-time and full-time posi-
21 tions. There will be five distinct pools of tax incentives. Program one
22 will cover tax incentives allocated for two thousand twelve and two
23 thousand thirteen. Program two will cover tax incentives allocated in
24 two thousand fourteen. Program three will cover tax incentives allocated
25 in two thousand fifteen. Program four will cover tax incentives allo-
26 cated in two thousand sixteen. Program five will cover tax incentives
27 allocated in two thousand seventeen. The commissioner is authorized to
28 allocate up to twenty-five million dollars of tax credits under program
29 one, ten million dollars of tax credits under program two, [and] twenty
30 million dollars of tax credits under [each of programs] program three,
31 and fifty million dollars of tax credits under each of programs four[,]
32 and five.

33 § 2. Subdivision (b) of section 25-a of the labor law is amended by
34 adding a new paragraph 3 to read as follows:

35 (3) For programs four and five, the tax credit under each program
36 shall be allocated as follows: (i) thirty million dollars of tax credit
37 for qualified employees; and (ii) twenty million dollars of tax credit
38 for individuals who meet all of the requirements for a qualified employ-
39 ee except for the residency requirement of subparagraph (ii) of para-
40 graph two of this subdivision, which individuals shall be deemed to meet
41 the residency requirements of subparagraph (ii) of paragraph two of this
42 subdivision if they reside in New York state.

43 § 3. This act shall take effect immediately.

44 PART WW

45 Section 1. Section 1115 of the tax law is amended by adding a new
46 subdivision (kk) to read as follows:

47 (kk) The following shall be exempt from tax under this article: (1)
48 Receipts from the retail sale of, and consideration given or contracted
49 to be given for, or for the use of, commercial fuel cell electricity
50 generating systems equipment and the service of installing and maintain-
51 ing such systems. For the purposes of this subdivision, "fuel cell elec-
52 tricity generating systems equipment" shall mean an electric generating

1 arrangement or combination of components installed upon non-residential
2 premises that utilize solid oxide, molten carbonate, proton exchange
3 membrane or phosphoric acid fuel cell, or for the purposes of this
4 section only, linear generator.

5 (2) Receipts from the sale of hydrogen gas or electricity by a person
6 primarily engaged in the sale of fuel cell electricity generating system
7 equipment and/or electricity generated by such equipment pursuant to a
8 written agreement under which the electricity is generated by commercial
9 fuel cell electricity generating system equipment that is: (A) owned by
10 a person other than the purchaser of such electricity; (B) installed on
11 the non-residential premises of the purchaser of such electricity; (C)
12 placed in service; and (D) used to provide heating, cooling, hot water
13 or electricity to such premises.

14 § 2. Paragraphs 1 and 4 of subdivision (a) of section 1210 of the tax
15 law, as amended by section 3 of part Z of chapter 59 of the laws of
16 2015, are amended to read as follows:

17 (1) Either, all of the taxes described in article twenty-eight of this
18 chapter, at the same uniform rate, as to which taxes all provisions of
19 the local laws, ordinances or resolutions imposing such taxes shall be
20 identical, except as to rate and except as otherwise provided, with the
21 corresponding provisions in such article twenty-eight, including the
22 definition and exemption provisions of such article, so far as the
23 provisions of such article twenty-eight can be made applicable to the
24 taxes imposed by such city or county and with such limitations and
25 special provisions as are set forth in this article. The taxes author-
26 ized under this subdivision may not be imposed by a city or county
27 unless the local law, ordinance or resolution imposes such taxes so as
28 to include all portions and all types of receipts, charges or rents,
29 subject to state tax under sections eleven hundred five and eleven
30 hundred ten of this chapter, except as otherwise provided. (i) Any local
31 law, ordinance or resolution enacted by any city of less than one
32 million or by any county or school district, imposing the taxes author-
33 ized by this subdivision, shall, notwithstanding any provision of law to
34 the contrary, exclude from the operation of such local taxes all sales
35 of tangible personal property for use or consumption directly and
36 predominantly in the production of tangible personal property, gas,
37 electricity, refrigeration or steam, for sale, by manufacturing, proc-
38 essing, generating, assembly, refining, mining or extracting; and all
39 sales of tangible personal property for use or consumption predominantly
40 either in the production of tangible personal property, for sale, by
41 farming or in a commercial horse boarding operation, or in both; and,
42 unless such city, county or school district elects otherwise, shall omit
43 the provision for credit or refund contained in clause six of subdivi-
44 sion (a) or subdivision (d) of section eleven hundred nineteen of this
45 chapter. (ii) Any local law, ordinance or resolution enacted by any
46 city, county or school district, imposing the taxes authorized by this
47 subdivision, shall omit the residential solar energy systems equipment
48 and electricity exemption provided for in subdivision (ee), the commer-
49 cial solar energy systems equipment and electricity exemption provided
50 for in subdivision (ii), the commercial fuel cell electricity generating
51 systems equipment and electricity generated by such equipment exemption
52 provided for in subdivision (kk) and the clothing and footwear exemption
53 provided for in paragraph thirty of subdivision (a) of section eleven
54 hundred fifteen of this chapter, unless such city, county or school
55 district elects otherwise as to [either] such residential solar energy
56 systems equipment and electricity exemption, such commercial solar ener-



1 gy systems equipment and electricity exemption, commercial fuel cell
2 electricity generating systems equipment and electricity generated by
3 such equipment exemption or such clothing and footwear exemption.

4 (4) Notwithstanding any other provision of law to the contrary, any
5 local law enacted by any city of one million or more that imposes the
6 taxes authorized by this subdivision (i) may omit the exception provided
7 in subparagraph (ii) of paragraph three of subdivision (c) of section
8 eleven hundred five of this chapter for receipts from laundering, dry-
9 cleaning, tailoring, weaving, pressing, shoe repairing and shoe shining;
10 (ii) may impose the tax described in paragraph six of subdivision (c) of
11 section eleven hundred five of this chapter at a rate in addition to the
12 rate prescribed by this section not to exceed two percent in multiples
13 of one-half of one percent; (iii) shall provide that the tax described
14 in paragraph six of subdivision (c) of section eleven hundred five of
15 this chapter does not apply to facilities owned and operated by the city
16 or an agency or instrumentality of the city or a public corporation the
17 majority of whose members are appointed by the chief executive officer
18 of the city or the legislative body of the city or both of them; (iv)
19 shall not include any tax on receipts from, or the use of, the services
20 described in paragraph seven of subdivision (c) of section eleven
21 hundred five of this chapter; (v) shall provide that, for purposes of
22 the tax described in subdivision (e) of section eleven hundred five of
23 this chapter, "permanent resident" means any occupant of any room or
24 rooms in a hotel for at least one hundred eighty consecutive days with
25 regard to the period of such occupancy; (vi) may omit the exception
26 provided in paragraph one of subdivision (f) of section eleven hundred
27 five of this chapter for charges to a patron for admission to, or use
28 of, facilities for sporting activities in which the patron is to be a
29 participant, such as bowling alleys and swimming pools; (vii) may
30 provide the clothing and footwear exemption in paragraph thirty of
31 subdivision (a) of section eleven hundred fifteen of this chapter, and,
32 notwithstanding any provision of subdivision (d) of this section to the
33 contrary, any local law providing for such exemption or repealing such
34 exemption, may go into effect on any one of the following dates: March
35 first, June first, September first or December first; (viii) shall omit
36 the exemption provided in paragraph forty-one of subdivision (a) of
37 section eleven hundred fifteen of this chapter; (ix) shall omit the
38 exemption provided in subdivision (c) of section eleven hundred fifteen
39 of this chapter insofar as it applies to fuel, gas, electricity, refrigeration and steam, and gas, electric, refrigeration and steam service of
40 whatever nature for use or consumption directly and exclusively in the
41 production of gas, electricity, refrigeration or steam; (x) shall omit,
42 unless such city elects otherwise, the provision for refund or credit
43 contained in clause six of subdivision (a) or in subdivision (d) of
44 section eleven hundred nineteen of this chapter; (xi) shall provide that
45 section eleven hundred five-C of this chapter does not apply to such
46 taxes, and shall tax receipts from every sale, other than sales for
47 resale, of gas service or electric service of whatever nature, including
48 the transportation, transmission or distribution of gas or electricity,
49 even if sold separately, at the rate set forth in clause one of subpara-
50 graph (i) of the opening paragraph of this section; (xii) shall omit,
51 unless such city elects otherwise, the exemption for residential solar
52 energy systems equipment and electricity provided in subdivision (ee) of
53 section eleven hundred fifteen of this chapter; [and] (xiii) shall omit,
54 unless such city elects otherwise, the exemption for commercial solar
55 energy systems equipment and electricity provided in subdivision (ii) of
56



1 section eleven hundred fifteen of this chapter; and (xiv) shall omit,
2 unless such city elects otherwise, the exemption for commercial fuel
3 cell electricity generating systems equipment and electricity generated
4 by such equipment provided in subdivision (kk) of section eleven hundred
5 fifteen of this chapter. Any reference in this chapter or in any local
6 law, ordinance or resolution enacted pursuant to the authority of this
7 article to former subdivisions (n) or (p) of this section shall be
8 deemed to be a reference to clauses (xii) or (xiii) of this paragraph,
9 respectively, and any such local law, ordinance or resolution that
10 provides the exemptions provided in such former subdivisions (n) and/or
11 (p) shall be deemed instead to provide the exemptions provided in claus-
12 es (xii) and/or (xiii) of this paragraph.

13 § 3. Paragraph 1 of subdivision (b) of section 1210 of the tax law,
14 as amended by section 4 of part Z of chapter 59 of the laws of 2015, is
15 amended to read as follows:

16 (1) Or, one or more of the taxes described in subdivisions (b), (d),
17 (e) and (f) of section eleven hundred five of this chapter, at the same
18 uniform rate, including the transitional provisions in section eleven
19 hundred six of this chapter covering such taxes, but not the taxes
20 described in subdivisions (a) and (c) of section eleven hundred five of
21 this chapter. Provided, further, that where the tax described in subdivi-
22 sion (b) of section eleven hundred five of this chapter is imposed,
23 the compensating use taxes described in clauses (E), (G) and (H) of
24 subdivision (a) of section eleven hundred ten of this chapter shall also
25 be imposed. Provided, further, that where the taxes described in subdivi-
26 sion (b) of section eleven hundred five are imposed, such taxes shall
27 omit: (A) the provision for refund or credit contained in subdivision
28 (d) of section eleven hundred nineteen of this chapter with respect to
29 such taxes described in such subdivision (b) of section eleven hundred
30 five unless such city or county elects to provide such provision or, if
31 so elected, to repeal such provision; (B) the exemption provided in
32 paragraph two of subdivision (ee) of section eleven hundred fifteen of
33 this chapter unless such county or city elects otherwise; [and] (C) the
34 exemption provided in paragraph two of subdivision (ii) of section elev-
35 en hundred fifteen of this chapter, unless such county or city elects
36 otherwise; and (D) the exemption provided in paragraph two of subdivi-
37 sion (kk) of section eleven hundred fifteen of this chapter, unless such
38 county or city elects otherwise.

39 § 4. Subdivision (d) of section 1210 of the tax law, as amended by
40 section 4-a of part Z of chapter 59 of the laws of 2015, is amended to
41 read as follows:

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

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

24 § 5. Subdivision (a) of section 1212 of the tax law, as amended by
25 section 6 of part Z of chapter 59 of the laws of 2015, is amended to
26 read as follows:

27 (a) Any school district which is coterminous with, partly within or
28 wholly within a city having a population of less than one hundred twen-
29 ty-five thousand, is hereby authorized and empowered, by majority vote
30 of the whole number of its school authorities, to impose for school
31 district purposes, within the territorial limits of such school district
32 and without discrimination between residents and nonresidents thereof,
33 the taxes described in subdivision (b) of section eleven hundred five
34 (but excluding the tax on prepaid telephone calling services) and the
35 taxes described in clauses (E) and (H) of subdivision (a) of section
36 eleven hundred ten, including the transitional provisions in subdivision
37 (b) of section eleven hundred six of this chapter, so far as such
38 provisions can be made applicable to the taxes imposed by such school
39 district and with such limitations and special provisions as are set
40 forth in this article, such taxes to be imposed at the rate of one-half,
41 one, one and one-half, two, two and one-half or three percent which rate
42 shall be uniform for all portions and all types of receipts and uses
43 subject to such taxes. In respect to such taxes, all provisions of the
44 resolution imposing them, except as to rate and except as otherwise
45 provided herein, shall be identical with the corresponding provisions in
46 such article twenty-eight of this chapter, including the applicable
47 definition and exemption provisions of such article, so far as the
48 provisions of such article twenty-eight of this chapter can be made
49 applicable to the taxes imposed by such school district and with such
50 limitations and special provisions as are set forth in this article. The
51 taxes described in subdivision (b) of section eleven hundred five (but
52 excluding the tax on prepaid telephone calling service) and clauses (E)
53 and (H) of subdivision (a) of section eleven hundred ten, including the
54 transitional provision in subdivision (b) of such section eleven hundred
55 six of this chapter, may not be imposed by such school district unless
56 the resolution imposes such taxes so as to include all portions and all



1 types of receipts and uses subject to tax under such subdivision (but
2 excluding the tax on prepaid telephone calling service) and clauses.
3 Provided, however, that, where a school district imposes such taxes,
4 such taxes shall omit the provision for refund or credit contained in
5 subdivision (d) of section eleven hundred nineteen of this chapter with
6 respect to such taxes described in such subdivision (b) of section elev-
7 en hundred five unless such school district elects to provide such
8 provision or, if so elected, to repeal such provision, and shall omit
9 the exemptions provided in paragraph two of subdivision (ee) and para-
10 graph two of subdivision (ii) of section eleven hundred fifteen of this
11 chapter unless such school district elects otherwise, and shall omit the
12 exemption provided in paragraph two of subdivision (kk) of section elev-
13 en hundred fifteen of this chapter unless such school district elects
14 otherwise.

15 § 6. Section 1224 of the tax law is amended by adding a new subdivi-
16 sion (c-2) to read as follows:

17 (c-2) Notwithstanding any other provision of law: (1) Where a county
18 containing one or more cities with a population of less than one million
19 has elected the exemption for commercial fuel cell electricity generat-
20 ing systems equipment and electricity generated by such equipment
21 provided in subdivision (kk) of such section eleven hundred fifteen, a
22 city within such county shall have the prior right to impose tax on such
23 exempt equipment and/or electricity to the extent of one half of the
24 maximum rates authorized under subdivision (a) of section twelve hundred
25 ten of this article;

26 (2) Where a city of less than one million has elected the exemption
27 for commercial fuel cell electricity generating systems equipment and
28 electricity generated by such equipment provided in subdivision (kk) of
29 such section eleven hundred fifteen, the county in which such city is
30 located shall have the prior right to impose tax on such exempt equip-
31 ment and/or electricity to the extent of one half of the maximum rates
32 authorized under subdivision (a) of section twelve hundred ten of this
33 article.

34 § 7. This act shall take effect June 1, 2016 and shall apply in
35 accordance with the applicable transitional provisions in sections 1106
36 and 1217 of the tax law.

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

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