

5491--A

2011-2012 Regular Sessions

I N S E N A T E

May 25, 2011

Introduced by Sen. LANZA -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, the real property tax law, the general city law, the tax law and the public service law, in relation to enacting the New York state green economic development zones act

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. This act shall be known and may be cited as the "New York
2 state green economic development zones act."

3 S 2. The general municipal law is amended by adding a new article 18-D
4 to read as follows:

5 ARTICLE 18-D

6 GREEN ECONOMIC DEVELOPMENT ZONES

7 SECTION 974. SHORT TITLE.

8 974-A. LEGISLATIVE FINDINGS AND DECLARATION.

9 974-B. DEFINITIONS.

10 974-C. CRITERIA FOR GREEN ECONOMIC DEVELOPMENT ZONE DESIGNATION.

11 974-D. RESPONSIBILITIES OF THE COMMISSIONER.

12 974-E. DESIGNATION OF GREEN ECONOMIC DEVELOPMENT ZONE.

13 974-F. APPLICATION FOR GREEN ECONOMIC DEVELOPMENT ZONE DESIG-
14 NATION.

15 974-G. GREEN ECONOMIC DEVELOPMENT ZONE DEVELOPMENT PLAN.

16 974-H. LOCAL ADMINISTRATION OF GREEN ECONOMIC DEVELOPMENT ZONE.

17 974-I. DESIGNATION OF GREEN ECONOMIC DEVELOPMENT ZONE AS A
18 FEDERAL GREEN ENTERPRISE ECONOMIC DEVELOPMENT ZONE.

19 974-J. DIVISION OF TAXES BY GOVERNMENT BODIES.

20 974-K. DISPOSITION OF PROPERTY.

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

LBD04764-03-1

974-L. TERMINATION OR REVERSION OF A GREEN ECONOMIC DEVELOPMENT ZONE.

S 974. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "NEW YORK GREEN ECONOMIC DEVELOPMENT ZONES ACT".

S 974-A. LEGISLATIVE FINDINGS AND DECLARATION. IT IS HEREBY FOUND AND DECLARED THAT THERE EXISTS WITHIN THE STATE THE NEED TO STIMULATE EMPLOYMENT AND MORE EFFICIENT TRANSPORTATION BY UTILIZING THE EMERGING GREEN TECHNOLOGY THAT WILL REDUCE THE OUTPUT OF CARBON IN THE ATMOSPHERE OF THE STATE, IMPROVE THE STATE'S ENVIRONMENTAL QUALITY OF LIFE AND GENERAL HEALTH OF THE RESIDENTS. THIS NEED REQUIRES THE STATE GOVERNMENT TO TARGET AREAS FOR EXTRAORDINARY ECONOMIC DEVELOPMENT PROGRAMS IN ORDER TO STIMULATE PRIVATE INVESTMENT, PRIVATE BUSINESS DEVELOPMENT AND JOB CREATION. IT IS THE PUBLIC POLICY OF THE STATE TO OFFER SPECIAL INCENTIVES AND ASSISTANCE THAT WILL PROMOTE THE DEVELOPMENT OF NEW GREEN BUSINESSES AND THE EXPANSION OF EXISTING BUSINESSES WITHIN PRE-DESIGNATED AREAS AND TO DO SO WITHOUT ENCOURAGING THE RELOCATION OF BUSINESS INVESTMENT FROM OTHER AREAS OF THE STATE. IT IS FURTHER FOUND AND DECLARED THAT IT IS THE PUBLIC POLICY OF THE STATE TO ACHIEVE THESE GOALS THROUGH THE MUTUAL COOPERATION OF ALL LEVELS OF STATE AND LOCAL GOVERNMENT AND THE BUSINESS COMMUNITY.

S 974-B. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS UNLESS THE CONTEXT SHALL INDICATE ANOTHER OR DIFFERENT MEANING OR INTENT:

(A) "APPLICANT" SHALL MEAN THE COUNTY, CITY, TOWN OR VILLAGE SUBMITTING AN APPLICATION IN THE MANNER AUTHORIZED BY LOCAL LAW FOR DESIGNATION OF AN AREA AS A GREEN ECONOMIC DEVELOPMENT ZONE.

(B) "ENTERPRISE" SHALL MEAN A BUSINESS ENTERPRISE THAT IS AUTHORIZED TO DO BUSINESS IN THIS STATE AND IS INDEPENDENTLY OWNED AND OPERATED AND FOUND TO COMPLY WITH GREEN ECONOMIC DEVELOPMENT ZONE CRITERIA.

(C) "GREEN BUSINESS" SHALL MEAN A BUSINESS THAT PRIMARILY OPERATES IN ONE OR MORE OF FOUR AREAS: PRODUCTION, SERVICE AND REPAIR, RESEARCH AND DEVELOPMENT AND THE APPLICATION AND INSTALLATION OF GREEN PRODUCTS AND SERVICES. A GREEN PRODUCTION COMPANY IS A COMPANY DEALING PRIMARILY WITH THE MANUFACTURING AND DISTRIBUTION OF ENERGY EFFICIENCY TECHNOLOGIES AND GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES. GREEN PRODUCTION COMPANIES INCLUDE, BUT ARE NOT LIMITED TO, BIO FUEL DEVELOPMENT, SOLAR PANEL PRODUCTION OR ASSEMBLY, WIND TURBINE PRODUCTION OR ASSEMBLY, CARBON CAPTURE AND STORAGE MECHANISM, CLEAN FUEL VEHICLES, RENEWABLE ENERGY DEVELOPMENT, OR ENERGY EFFICIENCY TECHNOLOGIES. GREEN PRODUCTION SHALL ALSO INCLUDE, BUT SHALL NOT BE LIMITED TO, THE FOLLOWING: (1) GREEN HOUSE EMISSION REDUCTION TECHNOLOGIES; (2) THE ASSEMBLY OF ESSENTIAL COMPONENTS FOR A CLEAN-FUELED VEHICLE; OR (3) ENERGY EFFICIENCY TECHNOLOGIES; WHERE

(A) "GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES" SHALL MEAN AND INCLUDE, BUT NOT BE LIMITED TO: (I) COGENERATION TECHNOLOGIES, WHICH SHALL MEAN ANY ONE OF THE SEVERAL TECHNOLOGIES WHEREIN WASTE HEAT FROM ON-SITE ELECTRICAL GENERATION PROCESS IS RECOVERED TO PROVIDE STEAM OR HOT WATER TO MEET ON-SITE NEEDS, SUCH AS HEATING AND/OR AIR CONDITIONING AND WHICH ATTAINS OVERALL SYSTEM EFFICIENCY AS ESTABLISHED BY THE DEPARTMENT OF ENVIRONMENTAL CONSERVATION, CONSIDERING BOTH THERMAL AND ELECTRICAL PROCESS TOGETHER; (II) FURNACE AND BOILER REPLACEMENTS AND RETROFITS, PROVIDED THAT THE NEW OR RETROFITTED FURNACES AND BOILERS SHALL NOT AT ANY TIME OPERATE ON DIESEL FUEL WITH SULFUR CONTENT GREATER THAN 0.05 PERCENT BY WEIGHT; (III) THE PRODUCTION OF CLEAN-FUELED VEHICLES OR THE CONVERSION OF EXISTING VEHICLES TO CLEAN-FUELED VEHICLES; AND (IV) OTHER MEASURES THAT WILL REDUCE THE DEMAND FOR AND/OR THE

1 CONSUMPTION OF ENERGY INCLUDING FUELS, AS DETERMINED BY THE DEPARTMENT
2 OF ENVIRONMENTAL CONSERVATION WITH THE NEW YORK STATE ENERGY RESEARCH
3 AND DEVELOPMENT AUTHORITY;

4 (B) "CLEAN-FUELED VEHICLE" SHALL MEAN ANY MOTOR VEHICLE AS DEFINED IN
5 SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW, THAT
6 USES ELECTRICITY, INCLUDING ELECTRICITY EITHER STORED OR GENERATED
7 ON-BOARD, AS ITS PRIMARY MOTIVE FORCE, OR THAT IS FUELED BY NATURAL GAS,
8 PROPANE, HYDROGEN OR ANY OTHER NON-CARBON PRODUCING FUEL;

9 (C) "ENERGY EFFICIENCY TECHNOLOGIES" SHALL MEAN TECHNOLOGIES THAT
10 REDUCE THE CONSUMPTION OF ELECTRICITY INCLUDING BUT NOT LIMITED TO: (I)
11 REPLACEMENT OF INEFFICIENT LIGHTING FIXTURES; (II) APPLIANCES AND EQUIP-
12 MENT THAT MEET ENERGY EFFICIENCY PERFORMANCE STANDARDS AS IDENTIFIED IN
13 ARTICLE SIXTEEN OF THE ENERGY LAW; AND (III) OTHER SUCH MEASURES THAT
14 WILL REDUCE THE DEMAND FOR AND/OR CONSUMPTION OF ELECTRICITY AS DETER-
15 MINED BY THE NEW YORK STATE ENERGY AND RESEARCH DEVELOPMENT AUTHORITY;

16 (D) "RENEWABLE ENERGY DEVELOPMENT" SHALL MEAN THE PURCHASE AND INSTAL-
17 LATION OF TECHNOLOGIES DESIGNED TO CONVERT RENEWABLE ENERGY INTO ELEC-
18 TRICITY OR OTHER END USES, WHERE RENEWABLE ENERGY INCLUDES SOLAR, WIND,
19 TIDAL, FUEL CELL, GEOTHERMAL AND HYDROGEN, BUT DOES NOT INCLUDE
20 COMBUSTION OR PYROLYSIS OF SOLID WASTE AS DEFINED IN SECTION 27-0701 OF
21 THE ENVIRONMENTAL CONSERVATION LAW OR ELECTRICITY GENERATED FROM NUCLEAR
22 POWER PLANTS;

23 (E) "GREEN SERVICE AND REPAIR" SHALL MEAN ANY COMPANY THAT DEALS
24 PRIMARILY WITH THE PROVISION OF SERVICES TO OTHER COMPANIES OR INDIVID-
25 UALS IN A SUSTAINABLE OR ENERGY EFFICIENT MANNER. GREEN SERVICE AND
26 REPAIR COMPANIES INCLUDE, BUT ARE NOT LIMITED TO, THOSE OFFERING SUCH
27 SERVICES AS GREEN ROOFING, LEED CERTIFICATION AND INSPECTION SERVICES,
28 USE AND SALE OF LOW VOC PAINTS, LOW ENERGY RADIANT FLOORING, WHITE,
29 COATED, OR GREEN ROOF INSTALLATION, RECOVERY AND RECYCLING PROCESSING,
30 REPLACEMENT OF INEFFICIENT TECHNOLOGIES, CLEAN-FUEL VEHICLE SALES AND
31 REPAIR, COGENERATION TECHNOLOGY INSTALLATION AND REPAIR, AND GREEN LEGAL
32 AND FINANCIAL SERVICES;

33 (F) "GREEN RESEARCH AND DEVELOPMENT" SHALL MEAN ANY ENTITY THAT WORKS
34 PRIMARILY TO DISCOVER NEW KNOWLEDGE ABOUT GREEN PRODUCTS, PROCESSES, AND
35 SERVICES, AND THEN APPLIES THAT KNOWLEDGE TO CREATE NEW AND IMPROVED
36 GREEN PRODUCTS, PROCESSES, AND SERVICES THAT FILL MARKET NEEDS. GREEN
37 RESEARCH AND DEVELOPMENT PROJECTS INCLUDE, BUT ARE NOT LIMITED TO,
38 STUDIES INVOLVING IMPROVEMENTS TO RENEWABLE ENERGY TECHNOLOGY, SUSTAINA-
39 BLE FARMING OR LANDSCAPING PROCESSES, WATER CONSERVATION TECHNOLOGIES,
40 ENERGY EFFICIENCY TECHNOLOGY IMPROVEMENTS, ALTERNATIVE FUEL DEVELOPMENT,
41 COST-BENEFIT ANALYSES OF SUSTAINABLE PRACTICES, ENERGY RETURN ON INVEST-
42 MENT, GREEN EDUCATION OUTREACH, AND URBAN SUSTAINABILITY PRACTICES; AND

43 (G) "GREEN APPLICATION AND INSTALLATION" IS THE ACT OF A PROPERTY
44 OWNER OR TENANT INSTALLING OR USING A TYPE OF GREEN TECHNOLOGY THAT
45 RESULTS IN GREENHOUSE GAS EMISSION REDUCTION OR ANY OTHER ENERGY EFFI-
46 CIENCY TECHNOLOGIES AND SHALL ALSO INCLUDE CERTAIN WORK PERFORMED BY
47 NON-MANUFACTURING AND SERVICE COMPANIES. GREEN APPLICATION AND INSTALLA-
48 TION INCLUDES, BUT IS NOT LIMITED TO, SOLAR PANEL INSTALLATION, COGENER-
49 ATION TECHNOLOGY RETROFITTING, GREEN ROOF INSTALLATION, LOW FLOW WATER
50 FIXTURE INSTALLATION, CLEAN-FUEL VEHICLE UTILIZATION, GREENHOUSE GAS
51 EMISSIONS REDUCTION TECHNOLOGY UTILIZATION, ENERGY EFFICIENCY TECHNOLOGY
52 UTILIZATION, AND LEED CERTIFICATION.

53 (D) "COMMISSIONER" SHALL MEAN THE COMMISSIONER OF ECONOMIC DEVELOP-
54 MENT.

55 S 974-C. CRITERIA FOR GREEN ECONOMIC DEVELOPMENT ZONE DESIGNATION. TO
56 BE ELIGIBLE FOR DESIGNATION AS A GREEN ECONOMIC DEVELOPMENT ZONE THE

1 AREA MUST BE DESIGNATED BY THE FEDERAL GOVERNMENT AS A GREEN ECONOMIC
2 DEVELOPMENT ZONE OR GREEN ENTERPRISE ZONE AND BE DEFINED BY PRE-DESIG-
3 NATED BOUNDARIES.

4 S 974-D. RESPONSIBILITIES OF THE COMMISSIONER. THE COMMISSIONER SHALL:

5 (A) AFTER CONSULTATION WITH ALL APPROPRIATE DIRECTORS AND COMMISSION-
6 ERS OF STATE AGENCIES PROMULGATE REGULATIONS GOVERNING THE CRITERIA OF
7 ELIGIBILITY FOR LOCAL GREEN ECONOMIC DEVELOPMENT ZONE DESIGNATIONS;

8 (B) RECEIVE AND REVIEW APPLICATIONS FOR DESIGNATION OF AREAS AS LOCAL
9 GREEN ECONOMIC DEVELOPMENT ZONES;

10 (C) PROMULGATE REGULATIONS, IN CONSULTATION WITH THE COMMISSIONER OF
11 LABOR, FOR PROGRAM EVALUATION AND COORDINATE IMPLEMENTATION OF AN EVALU-
12 ATION SYSTEM, WHICH IS CAPABLE OF COMPILING AND ANALYZING ACCURATE AND
13 CONSISTENT INFORMATION NECESSARY FOR AN ASSESSMENT OF WHETHER STATUTORY
14 OBJECTIVES AND CRITERIA ARE BEING MET; AND

15 (D) REVIEW PERFORMANCE OBJECTIVES AND PROGRESS IN MEETING OBJECTIVES.

16 S 974-E. DESIGNATION OF GREEN ECONOMIC DEVELOPMENT ZONE. THE GREEN
17 ECONOMIC DEVELOPMENT ZONE SHALL BE IN COORDINATION AND CORRESPOND WITH
18 THE FEDERAL DESIGNATION OF GREEN ENTERPRISE DEVELOPMENT ZONES.

19 S 974-F. APPLICATION FOR GREEN ECONOMIC DEVELOPMENT ZONE DESIGNATION.
20 A CITY, COUNTY (OTHER THAN A COUNTY WHOLLY CONTAINED WITHIN A CITY),
21 TOWN OR VILLAGE MAY ADOPT A LOCAL LAW AUTHORIZING SUCH MUNICIPAL CORPO-
22 RATION TO PREPARE AND SUBMIT AN APPLICATION TO THE DEPARTMENT OF ECONOM-
23 IC DEVELOPMENT FOR DESIGNATION OF AN AREA THEREIN AS A GREEN ECONOMIC
24 DEVELOPMENT ZONE; AND THE ADOPTION OF SUCH A LOCAL LAW BY THE MUNICIPAL
25 CORPORATION WITHIN WHICH THE PROPOSED GREEN ECONOMIC DEVELOPMENT ZONE IS
26 TO BE LOCATED SHALL BE A PREREQUISITE TO THE SUBMISSION OF AN APPLICA-
27 TION FOR SUCH DESIGNATION. SUCH LOCAL LAW SHALL ALSO DESIGNATE THE BOUN-
28 DARIES OF SUCH AREA.

29 S 974-G. GREEN ECONOMIC DEVELOPMENT ZONE DEVELOPMENT PLAN. A GREEN
30 ECONOMIC DEVELOPMENT ZONE DEVELOPMENT PLAN SHALL BE FILED WITH THE
31 DEPARTMENT OF ECONOMIC DEVELOPMENT, AND WITH THE LOCAL GREEN ECONOMIC
32 DEVELOPMENT ZONE BODY, AND SHALL DEMONSTRATE THE METHODS BY WHICH THE
33 APPLICANT INTENDS TO PROMOTE THE DEVELOPMENT OF NEW GREEN BUSINESS AND
34 THE EXPANSION OF EXISTING BUSINESS DEVELOPING GREEN TECHNOLOGY WITHIN
35 THE GREEN ECONOMIC DEVELOPMENT ZONE.

36 S 974-H. LOCAL ADMINISTRATION OF GREEN ECONOMIC DEVELOPMENT ZONE. THE
37 LOCAL GREEN ECONOMIC DEVELOPMENT ZONE CERTIFICATION SHALL BE BY THE
38 LOCAL GREEN ECONOMIC DEVELOPMENT ZONE BODY.

39 S 974-I. DESIGNATION OF GREEN ECONOMIC DEVELOPMENT ZONE AS A FEDERAL
40 GREEN ENTERPRISE ECONOMIC DEVELOPMENT ZONE. (FEDERAL GREEN ENTERPRISE
41 ECONOMIC DEVELOPMENT ZONE PROPOSED)

42 S 974-J. DIVISION OF TAXES BY GOVERNMENT BODIES. THE GOVERNING BODY OF
43 ANY CITY, TOWN, VILLAGE OR COUNTY IN WHICH A GREEN ECONOMIC DEVELOPMENT
44 ZONE IS LOCATED IS HEREBY AUTHORIZED AND EMPOWERED TO ADOPT A LOCAL LAW
45 PROVIDING THAT ANY TAXES LEVIED BY OR ON BEHALF OF SUCH CITY, TOWN,
46 VILLAGE OR COUNTY UPON TAXABLE REAL PROPERTY IN SUCH ZONE MAY BE EXEMPT
47 FOR A TEN-YEAR PERIOD.

48 S 974-K. DISPOSITION OF PROPERTY. (A) NOTWITHSTANDING ANY PROVISION OF
49 ANY OTHER LAW TO THE CONTRARY, IN ORDER TO FURTHER THE PURPOSES OF THE
50 GREEN ECONOMIC DEVELOPMENT ZONE, ANY REAL OR PERSONAL PROPERTY LOCATED
51 WITHIN A GREEN ECONOMIC DEVELOPMENT ZONE AND OWNED BY ANY LOCAL GOVERN-
52 MENTAL ENTITY IN WHOSE JURISDICTION A GREEN ECONOMIC DEVELOPMENT ZONE IS
53 LOCATED, MAY BE SOLD OR LEASED FOR A TERM NOT EXCEEDING NINETY-NINE
54 YEARS TO A PRIVATE USER, A COMMUNITY-BASED ORGANIZATION, A PUBLIC BENE-
55 FIT CORPORATION OR ANY OTHER PERSON; PROVIDED, HOWEVER, THAT EACH
56 CONTRACT FOR SUCH SALE, AND EACH SUCH LEASE, SHALL OBLIGATE THE BUYER OR

1 LESSEE TO COMPLY WITH THE PROVISIONS OF THIS ARTICLE AND THE GREEN
2 ECONOMIC DEVELOPMENT ZONE PLAN FILED WITH THE COMMISSIONER PURSUANT TO
3 SECTION NINE HUNDRED SEVENTY-FOUR-G OF THIS ARTICLE. SUCH OBLIGATIONS
4 CONTAINED IN A CONTRACT FOR THE SALE OF REAL PROPERTY SHALL SURVIVE
5 DELIVERY OF THE DEED. A BREACH BY THE BUYER OR LESSEE OF A MATERIAL
6 OBLIGATION OF SUCH CONTRACT OR LEASE SHALL, IN ADDITION TO ANY OTHER
7 REMEDIES AVAILABLE TO THE SELLER OR LESSOR UNDER THE CONTRACT, TERMINATE
8 THE ELIGIBILITY OF THE BUYER OR LESSEE FOR ANY BENEFITS PROVIDED IN THIS
9 ARTICLE.

10 S 974-L. TERMINATION OR REVERSION OF A GREEN ECONOMIC DEVELOPMENT
11 ZONE. (A) EXCEPT AS PROVIDED IN THIS SECTION, ANY DESIGNATION OF AN AREA
12 AS A GREEN ECONOMIC DEVELOPMENT ZONE SHALL REMAIN IN EFFECT DURING THE
13 PERIOD BEGINNING ON THE DATE OF DESIGNATION AND ENDING TEN YEARS THERE-
14 AFTER. AFTER CONSULTATION WITH THE DIRECTOR OF THE BUDGET AND THE
15 COMMISSIONER OF LABOR, THE COMMISSIONER MAY TERMINATE THE DESIGNATION OF
16 AN AREA AS A GREEN ECONOMIC DEVELOPMENT ZONE UPON A FINDING THAT (1) THE
17 APPLICANT HAS FAILED SUBSTANTIALLY TO IMPLEMENT THE GREEN ECONOMIC
18 DEVELOPMENT ZONE DEVELOPMENT PLAN WITHIN THE TIME STATED THEREIN; OR (2)
19 THERE HAS BEEN NO SUBSTANTIAL BUSINESS DEVELOPMENT OR JOB CREATION WITH-
20 IN THE AREA DESIGNATED AS A GREEN ECONOMIC DEVELOPMENT ZONE WITHIN FIVE
21 YEARS AFTER SUCH DESIGNATION; PROVIDED, HOWEVER, THAT NO TERMINATION
22 SHALL OCCUR UNLESS AND UNTIL WRITTEN NOTICE HAS BEEN GIVEN TO THE APPLI-
23 CANT AND A PUBLIC HEARING HAS BEEN HELD THIRTY DAYS PRIOR TO THE EFFEC-
24 TIVE DATE OF SUCH TERMINATION.

25 (B) UPON THE TERMINATION OF A GREEN ECONOMIC DEVELOPMENT ZONE AS
26 PROVIDED IN THIS SECTION, THE COMMISSIONER SHALL FILE NOTICE OF SUCH
27 TERMINATION.

28 S 3. Subdivision 2 of section 499-aa of the real property tax law is
29 amended by adding a new paragraph (b-1) to read as follows:

30 (B-1) IN ADDITION TO THE ABATEMENT ZONE SET FORTH IN PARAGRAPHS (A)
31 AND (B) OF THIS SUBDIVISION, IN THE CITY OF NEW YORK THE ABATEMENT ZONE
32 SHALL INCLUDE A "GREEN ZONE" AS DEFINED IN THIS SECTION.

33 S 4. Paragraphs (b), (c) and (d) of subdivision 10 of section 499-aa
34 of the real property tax law, paragraphs (b) and (c) as amended and
35 paragraph (d) as added by chapter 403 of the laws of 2006, are amended
36 to read as follows:

37 (b) With respect to the abatement zone defined in paragraph (b) OR
38 (B-1) of subdivision two of this section, premises located in an eligi-
39 ble building that are (i) occupied or used as offices (including ancil-
40 lary uses) or are occupied or used for other lawful commercial business
41 activities, but not premises occupied or used as retail space or for
42 hotel or residential purposes; or (ii) occupied or used for industrial
43 and manufacturing activities (including ancillary uses) OR BY A GREEN
44 BUSINESS IN A GREEN ZONE, but not premises occupied or used for hotel or
45 residential purposes; and

46 (c) With respect to the abatement zone defined in paragraph (c) of
47 subdivision two of this section, premises located in an eligible build-
48 ing that are occupied or used for industrial and manufacturing activ-
49 ities (including ancillary uses) OR USED BY A GREEN BUSINESS IN A GREEN
50 ZONE, but not premises occupied or used for hotel or residential
51 purposes.

52 (d) Notwithstanding the provisions of subparagraph (ii) of paragraph
53 (b) or paragraph (c) of this subdivision, premises located in an eligi-
54 ble building shall not be eligible for the tax abatement granted pursu-
55 ant to subdivision one-b of section four hundred ninety-nine-bb of this
56 title unless at least fifty percent of the aggregate floor area of such

1 premises is occupied or used for industrial and manufacturing activities
2 (exclusive of ancillary uses) as defined in subdivision fourteen-a of
3 this section OR BY A GREEN BUSINESS AS DEFINED IN SUBDIVISION FOURTEEN-B
4 OF THIS SECTION.

5 S 5. Section 499-aa of the real property tax law is amended by adding
6 two new subdivisions 14-b and 14-c to read as follows:

7 14-B. "GREEN BUSINESS." A "GREEN BUSINESS" SHALL BE DEFINED AS ONE
8 THAT PRIMARILY OPERATES IN ONE OR MORE OF FOUR AREAS: PRODUCTION,
9 SERVICE AND REPAIR, RESEARCH AND DEVELOPMENT AND THE APPLICATION AND
10 INSTALLATION OF GREEN PRODUCTS AND SERVICES. A GREEN PRODUCTION COMPANY
11 IS A COMPANY DEALING PRIMARILY WITH THE MANUFACTURING AND DISTRIBUTION
12 OF ENERGY EFFICIENCY TECHNOLOGIES AND GREENHOUSE GAS EMISSION REDUCTION
13 TECHNOLOGIES. GREEN PRODUCTION COMPANIES INCLUDE, BUT ARE NOT LIMITED
14 TO, BIO FUEL DEVELOPMENT, SOLAR PANEL PRODUCTION OR ASSEMBLY, WIND
15 TURBINE PRODUCTION OR ASSEMBLY, CARBON CAPTURE AND STORAGE MECHANISM,
16 CLEAN FUEL VEHICLES, RENEWABLE ENERGY DEVELOPMENT, OR ENERGY EFFICIENCY
17 TECHNOLOGIES. GREEN PRODUCTION SHALL ALSO INCLUDE, BUT SHALL NOT BE
18 LIMITED TO, THE FOLLOWING:

19 (A) "GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES" SHALL MEAN AND
20 INCLUDE BUT NOT BE LIMITED TO: (I) COGENERATION TECHNOLOGIES, WHICH
21 SHALL MEAN ANY ONE OF THE SEVERAL TECHNOLOGIES WHEREIN WASTE HEAT FROM
22 ON-SITE ELECTRICAL GENERATION PROCESS IS RECOVERED TO PROVIDE STEAM OR
23 HOT WATER TO MEET ON-SITE NEEDS, SUCH AS HEATING AND/OR AIR CONDITIONING
24 AND WHICH ATTAINS OVERALL SYSTEM EFFICIENCY AS ESTABLISHED BY THE
25 DEPARTMENT OF ENVIRONMENTAL CONSERVATION, CONSIDERING BOTH THERMAL AND
26 ELECTRICAL PROCESS TOGETHER; (II) FURNACE AND BOILER REPLACEMENTS AND
27 RETROFITS, PROVIDED THAT NEW OR RETROFITTED FURNACES AND BOILERS SHALL
28 NOT AT ANYTIME OPERATE ON DIESEL FUEL WITH SULFUR CONTENT GREATER THAN
29 0.05 PERCENT BY WEIGHT; (III) THE PRODUCTION OF CLEAN-FUELED VEHICLES OR
30 THE CONVERSION OF EXISTING VEHICLES TO CLEAN FUELED VEHICLES; AND (IV)
31 OTHER MEASURES THAT WILL REDUCE THE DEMAND FOR AND/OR THE CONSUMPTION OF
32 ENERGY INCLUDING FUELS, AS DETERMINED BY THE DEPARTMENT OF ENVIRONMENTAL
33 CONSERVATION IN CONSULTATION WITH THE NEW YORK STATE ENERGY RESEARCH AND
34 DEVELOPMENT AUTHORITY.

35 (B) "CLEAN-FUELED VEHICLE" SHALL MEAN ANY MOTOR VEHICLE AS DEFINED IN
36 SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW, THAT
37 USES ELECTRICITY, INCLUDING ELECTRICITY EITHER STORED OR GENERATED
38 ON-BOARD, AS ITS PRIMARY MOTIVE FORCE, OR THAT IS FUELED BY NATURAL GAS,
39 PROPANE, OR HYDROGEN.

40 (C) "ENERGY EFFICIENCY TECHNOLOGIES" SHALL MEAN TECHNOLOGIES THAT
41 REDUCE THE CONSUMPTION OF ELECTRICITY INCLUDING BUT NOT LIMITED TO: (I)
42 REPLACEMENT OF INEFFICIENT LIGHTING FIXTURES; (II) APPLIANCES AND EQUIP-
43 MENT THAT MEET ENERGY EFFICIENCY PERFORMANCE STANDARDS AS IDENTIFIED IN
44 ARTICLE SIXTEEN OF THE ENERGY LAW; AND (III) OTHER SUCH MEASURES THAT
45 WILL REDUCE THE DEMAND FOR AND/OR THE CONSUMPTION OF ELECTRICITY AS
46 DETERMINED BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHOR-
47 ITY.

48 (D) "RENEWABLE ENERGY DEVELOPMENT" SHALL MEAN THE PURCHASE AND INSTAL-
49 LATION OF TECHNOLOGIES DESIGNED TO CONVERT RENEWABLE ENERGY INTO ELEC-
50 TRICITY OR OTHER END USES, WHERE RENEWABLE ENERGY INCLUDES SOLAR, WIND,
51 TIDAL, FUEL CELL, GEOTHERMAL AND HYDROGEN, BUT DOES NOT INCLUDE
52 COMBUSTION OR PYROLOSIS OF SOLID WASTE AS DEFINED IN SECTION 27-0701 OF
53 THE ENVIRONMENTAL CONSERVATION LAW OR ELECTRICITY GENERATED FROM NUCLEAR
54 POWER PLANTS.

55 (E) "GREEN SERVICE AND REPAIR" SHALL MEAN ANY COMPANY THAT DEALS
56 PRIMARILY WITH THE PROVISION OF SERVICES TO OTHER COMPANIES OR INDIVID-

UALS IN A SUSTAINABLE OR ENERGY EFFICIENT MANNER. GREEN SERVICE AND REPAIR COMPANIES INCLUDE, BUT ARE NOT LIMITED TO, THOSE OFFERING SUCH SERVICES AS GREEN ROOFING, LEED CERTIFICATION AND INSPECTION SERVICES, USE AND SALE OF LOW VOC PAINTS, LOW ENERGY RADIANT FLOORING, WHITE, COATED, OR GREEN ROOF INSTALLATION, RECOVERY AND RECYCLING PROCESSING, REPLACEMENT OF INEFFICIENT TECHNOLOGIES, CLEAN-FUEL VEHICLE SALES AND REPAIR, COGENERATION TECHNOLOGY INSTALLATION AND REPAIR, AND GREEN LEGAL AND FINANCIAL SERVICES.

(F) "GREEN RESEARCH AND DEVELOPMENT" SHALL MEAN ANY ENTITY THAT WORKS PRIMARILY TO DISCOVER NEW KNOWLEDGE ABOUT GREEN PRODUCTS, PROCESSES, AND SERVICES, AND THEN APPLIES THAT KNOWLEDGE TO CREATE NEW AND IMPROVED GREEN PRODUCTS, PROCESSES, AND SERVICES THAT FILL MARKET NEEDS. GREEN RESEARCH AND DEVELOPMENT PROJECTS INCLUDE, BUT ARE NOT LIMITED TO, STUDIES INVOLVING IMPROVEMENTS TO RENEWABLE ENERGY TECHNOLOGY, SUSTAINABLE FARMING OR LANDSCAPING PROCESSES, WATER CONSERVATION TECHNOLOGIES, ENERGY EFFICIENCY TECHNOLOGY IMPROVEMENTS, ALTERNATIVE FUEL DEVELOPMENT, COST-BENEFIT ANALYSES OF SUSTAINABLE PRACTICES, ENERGY RETURN ON INVESTMENT, GREEN EDUCATION OUTREACH, AND URBAN SUSTAINABILITY PRACTICES.

(G) "GREEN APPLICATION AND INSTALLATION" IS THE ACT OF A PROPERTY OWNER OR TENANT INSTALLING OR USING A TYPE OF GREEN TECHNOLOGY THAT RESULTS IN GREENHOUSE GAS EMISSION REDUCTION OR ANY OTHER ENERGY EFFICIENCY TECHNOLOGIES AND SHALL ALSO INCLUDE CERTAIN WORK PERFORMED BY NON-MANUFACTURING AND SERVICE COMPANIES. GREEN APPLICATION AND INSTALLATION INCLUDES, BUT IS NOT LIMITED TO, SOLAR PANEL INSTALLATION, COGENERATION TECHNOLOGY RETROFITTING, GREEN ROOF INSTALLATION, LOW FLOW WATER FIXTURE INSTALLATION, CLEAN-FUEL VEHICLE UTILIZATION, GREENHOUSE GAS EMISSIONS REDUCTION TECHNOLOGY UTILIZATION, ENERGY EFFICIENCY TECHNOLOGY UTILIZATION, AND LEED CERTIFICATION.

14-C. "GREEN ZONE." A GREEN ZONE SHALL BE THE AREA IN THE BOROUGH OF STATEN ISLAND DEFINED BY THE FOLLOWING AREA BASED ON THE NEW YORK CITY DEPARTMENT OF CITY PLANNING ZONING MAPS: BEGINNING AT THE INTERSECTION OF THE NORTH SIDE OF THE FOOT OF THE GOETHALS BRIDGE AND THE US PIERHEAD AND BULKHEAD LINE; THENCE RUNNING EASTERLY 3,214.78 FEET ALONG AND PARALLEL TO THE NORTH SIDE OF THE GEOTHALS BRIDGE EXTENSION TO THE CENTERLINE OF WESTERN AVENUE; THENCE RUNNING NORTH 93.71 FEET TO THE CENTERLINE OF GOETHALS ROAD NORTH; THENCE RUNNING EAST 5,909.12 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF GEOTHALS ROAD NORTH TO CENTERLINE OF SOUTH AVENUE; THENCE RUNNING SOUTH 433.81 FEET ALONG AND PARALLEL TO THE WEST SIDE OF SOUTH AVENUE TO THE CENTERLINE OF FAHEY AVENUE; THENCE RUNNING EAST 424.89 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF FAHEY AVENUE TO THE CENTERLINE OF FELTON STREET; THENCE RUNNING SOUTH 1,314.02 FEET ALONG AND PARALLEL TO THE WEST SIDE OF FELTON STREET TO THE CENTERLINE OF LAMBERTS LANE; THENCE RUNNING SOUTH 790.62 FEET ALONG THE FELTON STREET LINE TO THE INTERSECTION OF GRAHAM AVENUE AND LANDER AVENUE; THENCE RUNNING SOUTH 3,413.10 FEET ALONG AND PARALLEL TO THE WEST SIDE OF GRAHAM AVENUE TO THE CENTERLINE OF VICTORY BOULEVARD; THENCE RUNNING SOUTHEAST 3,114.21 FEET ALONG THE WEST SIDE OF VICTORY BOULEVARD TO THE CENTERLINE OF TRAVIS AVENUE; THENCE RUNNING EAST 5,030.20 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF TRAVIS AVENUE TO THE CENTERLINE OF RICHMOND AVENUE; THENCE RUNNING SOUTH 12,265.02 FEET ALONG AND PARALLEL TO THE WEST SIDE OF RICHMOND AVENUE TO THE CENTERLINE OF ARTHUR KILL ROAD; THENCE RUNNING WEST 14,266.19 FEET ALONG AND PARALLEL TO THE NORTH SIDE OF ARTHUR KILL ROAD TO THE CENTERLINE OF ROSSVILLE AVENUE; THENCE RUNNING NORTH 650 FEET ALONG THE LINE OF ROSSVILLE AVENUE TO THE POINT OF THE US PIERHEAD AND BULKHEAD LINE; THENCE

1 RUNNING NORTH 34,553.83 FEET ALONG AND PARALLEL TO THE EAST SIDE OF THE
2 US PIERHEAD AND BULKHEAD LINE TO THE POINT AND PLACE OF THE BEGINNING.

3 S 6. Paragraph (b) of subdivision 28 of section 499-aa of the real
4 property tax law, as added by chapter 403 of the laws of 2006, is
5 amended to read as follows:

6 (b) For eligible premises defined in subparagraph (ii) of paragraph
7 (b) or paragraph (c) of subdivision ten of this section, the percentage
8 of the eligible building's aggregate floor area allocated to the eligi-
9 ble premises to be occupied or used for industrial and manufacturing
10 activities OR BY A GREEN BUSINESS IN A GREEN ZONE, as defined in [subdi-
11 vision] SUBDIVISIONS fourteen-a AND FOURTEEN-B, AS THE CASE MAY BE, of
12 this section; provided that where the eligible premises includes expan-
13 sion premises, the "tenant's percentage share" shall be calculated on
14 the basis of the eligible building's aggregate floor area allocated
15 solely to expansion premises to be occupied or used for industrial and
16 manufacturing activities OR BY THE GREEN BUSINESS IN THE GREEN ZONE.

17 S 7. Section 499-bb of the real property tax law is amended by adding
18 a new subdivision 1-c to read as follows:

19 1-C. WITHIN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, ELIGI-
20 BLE BUILDINGS CONTAINING ELIGIBLE PREMISES AS DEFINED IN SUBPARAGRAPH
21 (II) OF PARAGRAPH (B) OR PARAGRAPH (C) OF SUBDIVISION TEN AND OCCUPIED
22 BY GREEN BUSINESSES IN A GREEN ZONE AS DEFINED BY SUBDIVISION FOURTEEN-B
23 OF SECTION FOUR HUNDRED NINETY-NINE-AA OF THIS TITLE OCCUPIED OR USED BY
24 A TENANT PURSUANT TO A LEASE HAVING A LEASE COMMENCEMENT DATE ON OR
25 AFTER JULY FIRST, TWO THOUSAND ELEVEN WITH AN INITIAL LEASE TERM OF NOT
26 LESS THAN THREE YEARS, SHALL RECEIVE AN ABATEMENT OF REAL PROPERTY TAXES
27 FOR EACH YEAR OF THE BENEFIT PERIOD EQUAL TO THE PRODUCT OBTAINED BY (I)
28 MULTIPLYING THE TENANT'S PERCENTAGE SHARE BY THE NUMBER OF SQUARE FEET
29 IN THE ELIGIBLE BUILDING, AS LISTED ON THE RECORDS OF THE DEPARTMENT OF
30 FINANCE, AND (II) MULTIPLYING THE PRODUCT OBTAINED IN PARAGRAPH (I) OF
31 THIS SUBDIVISION BY THE ABATEMENT BASE.

32 S 8. Subdivision (a) of section 25-y of the general city law, as
33 amended by chapter 149 of the laws of 1999, is amended to read as
34 follows:

35 (a) "Eligible business" means any person subject to a tax imposed
36 under a local law enacted pursuant to part two or three of section one,
37 or section two, of chapter seven hundred seventy-two of the laws of
38 nineteen hundred sixty-six or a gross receipts tax imposed under a local
39 law enacted pursuant to subdivision (a) of section twelve hundred one of
40 the tax law that: (1) has been conducting substantial business oper-
41 ations at one or more business locations outside an eligible area for
42 the twenty-four consecutive months immediately preceding the taxable
43 year during which such eligible business relocates as defined in subdi-
44 vision (j) of this section OR, IF A GREEN BUSINESS, HAS BEEN CONDUCTING
45 SUBSTANTIAL BUSINESS OPERATIONS OUTSIDE OF A GREEN ZONE; and (2) on or
46 after May twenty-seventh, nineteen hundred eighty-seven relocates as
47 defined in subdivision (j) of this section all or part of such business
48 operations OR IF A GREEN BUSINESS HAS RELOCATED INTO A GREEN ZONE AFTER
49 JULY FIRST, TWO THOUSAND ELEVEN; and (3) either (i) on or after May
50 twenty-seventh, nineteen hundred eighty-seven first enters into a
51 contract to purchase or lease the premises to which it relocates as
52 defined in subdivision (j) of this section, or a parcel on which will be
53 constructed such premises, or (ii) as of May twenty-seventh, nineteen
54 hundred eighty-seven owns such parcel or premises and has not prior to
55 such date made application for benefits pursuant to a local law enacted
56 in accordance with title two-D of article four of the real property tax

1 law OR IF A GREEN BUSINESS, ON OR AFTER JULY FIRST, TWO THOUSAND ELEVEN,
2 ENTERS INTO A CONTRACT TO PURCHASE OR LEASE PREMISES IN A GREEN ZONE.

3 S 9. Section 25-y of the general city law is amended by adding two new
4 subdivisions (a-1) and (a-2) to read as follows:

5 (A-1) "GREEN BUSINESS" MEANS ANY PERSON THAT CONDUCTS ELIGIBLE GREEN
6 ACTIVITIES AS DEFINED IN THIS SUBDIVISION AND IS SUBJECT TO A TAX
7 IMPOSED UNDER A LOCAL LAW ENACTED PURSUANT TO PART TWO OR THREE OF
8 SECTION ONE, OR SECTION TWO, OF CHAPTER SEVEN HUNDRED SEVENTY-TWO OF THE
9 LAWS OF NINETEEN HUNDRED SIXTY-SIX OR A GROSS RECEIPTS TAX IMPOSED UNDER
10 A LOCAL LAW ENACTED PURSUANT TO SUBDIVISION (A) OF SECTION TWELVE
11 HUNDRED ONE OF THE TAX LAW THAT HAS BEEN CONDUCTING SUBSTANTIAL BUSINESS
12 OPERATIONS AT ONE OR MORE BUSINESS LOCATIONS OUTSIDE A GREEN ZONE AS
13 DEFINED IN THIS SECTION AND ON OR AFTER JULY FIRST, TWO THOUSAND ELEVEN
14 MOVES INTO THE GREEN ZONE. FOR PURPOSES OF THIS SUBDIVISION ELIGIBLE
15 GREEN ACTIVITIES SHALL INCLUDE: PRODUCTION, SERVICE AND REPAIR,
16 RESEARCH AND DEVELOPMENT AND THE APPLICATION AND INSTALLATION OF GREEN
17 PRODUCTS AND SERVICES. A GREEN PRODUCTION COMPANY IS A COMPANY DEALING
18 PRIMARILY WITH THE MANUFACTURING AND DISTRIBUTION OF ENERGY EFFICIENCY
19 TECHNOLOGIES AND GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES. GREEN
20 PRODUCTION COMPANIES INCLUDE, BUT ARE NOT LIMITED TO, BIO FUEL DEVELOP-
21 MENT, SOLAR PANEL PRODUCTION OR ASSEMBLY, WIND TURBINE PRODUCTION OR
22 ASSEMBLY, CARBON CAPTURE AND STORAGE MECHANISM, CLEAN FUEL VEHICLES,
23 RENEWABLE ENERGY DEVELOPMENT, OR ENERGY EFFICIENCY TECHNOLOGIES. GREEN
24 PRODUCTION SHALL ALSO INCLUDE, BUT SHALL NOT BE LIMITED TO, THE FOLLOW-
25 ING:

26 (A) "GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES" SHALL INCLUDE BUT
27 NOT BE LIMITED TO: (I) COGENERATION TECHNOLOGIES, WHICH SHALL MEAN ANY
28 ONE OF THE SEVERAL TECHNOLOGIES WHEREIN WASTE HEAT FROM ON-SITE ELEC-
29 TRICAL GENERATION PROCESS IS RECOVERED TO PROVIDE STEAM OR HOT WATER TO
30 MEET ON-SITE NEEDS, SUCH AS HEATING AND/OR AIR CONDITIONING AND WHICH
31 ATTAINS OVERALL SYSTEM EFFICIENCY AS ESTABLISHED BY THE DEPARTMENT OF
32 ENVIRONMENTAL CONSERVATION, CONSIDERING BOTH THERMAL AND ELECTRICAL
33 PROCESS TOGETHER; (II) FURNACE AND BOILER REPLACEMENTS AND RETROFITS,
34 PROVIDED THAT NEW OR RETROFITTED FURNACES AND BOILERS SHALL NOT AT
35 ANYTIME OPERATE ON DIESEL FUEL WITH SULFUR CONTENT GREATER THAN 0.05
36 PERCENT BY WEIGHT; (III) THE PRODUCTION OF CLEAN-FUELED VEHICLES OR THE
37 CONVERSION OF EXISTING VEHICLES TO CLEAN-FUELED VEHICLES; AND (IV) OTHER
38 MEASURES THAT WILL REDUCE THE DEMAND FOR AND/OR THE CONSUMPTION OF ENER-
39 GY INCLUDING FUELS, AS DETERMINED BY THE DEPARTMENT OF ENVIRONMENTAL
40 CONSERVATION IN CONSULTATION WITH THE NEW YORK STATE ENERGY RESEARCH AND
41 DEVELOPMENT AUTHORITY;

42 (B) "CLEAN-FUELED VEHICLE" SHALL MEAN ANY MOTOR VEHICLE AS DEFINED IN
43 SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW, THAT
44 USES ELECTRICITY, INCLUDING ELECTRICITY EITHER STORED OR GENERATED
45 ON-BOARD, AS ITS PRIMARY MOTIVE FORCE, OR THAT IS FUELED BY NATURAL GAS,
46 PROPANE, OR HYDROGEN;

47 (C) "ENERGY EFFICIENCY TECHNOLOGIES" SHALL MEAN TECHNOLOGIES THAT
48 REDUCE THE CONSUMPTION OF ELECTRICITY INCLUDING BUT NOT LIMITED TO: (I)
49 REPLACEMENT OF INEFFICIENT LIGHTING FIXTURES; (II) APPLIANCES AND EQUIP-
50 MENT THAT MEET ENERGY EFFICIENCY PERFORMANCE STANDARDS AS IDENTIFIED IN
51 ARTICLE SIXTEEN OF THE ENERGY LAW; AND (III) OTHER SUCH MEASURES THAT
52 WILL REDUCE THE DEMAND FOR AND/OR THE CONSUMPTION OF ELECTRICITY AS
53 DETERMINED BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHOR-
54 ITY;

55 (D) "RENEWABLE ENERGY DEVELOPMENT" SHALL MEAN THE PURCHASE AND INSTAL-
56 LATION OF TECHNOLOGIES DESIGNED TO CONVERT RENEWABLE ENERGY INTO ELEC-

1 TRICITY OR OTHER END USES, WHERE RENEWABLE ENERGY INCLUDES SOLAR, WIND,
2 TIDAL, FUEL CELL, GEOTHERMAL AND HYDROGEN, BUT DOES NOT INCLUDE
3 COMBUSTION OR PYROLOSIS OF SOLID WASTE AS DEFINED IN SECTION 27-0701 OF
4 THE ENVIRONMENTAL CONSERVATION LAW OR ELECTRICITY GENERATED FROM NUCLEAR
5 POWER PLANTS;

6 (E) "GREEN SERVICE AND REPAIR" SHALL MEAN ANY COMPANY THAT DEALS
7 PRIMARILY WITH THE PROVISION OF SERVICES TO OTHER COMPANIES OR INDIVID-
8 UALS IN A SUSTAINABLE OR ENERGY EFFICIENT MANNER. GREEN SERVICE AND
9 REPAIR COMPANIES INCLUDE, BUT ARE NOT LIMITED TO, THOSE OFFERING SUCH
10 SERVICES AS GREEN ROOFING, LEED CERTIFICATION AND INSPECTION SERVICES,
11 USE AND SALE OF LOW VOC PAINTS, LOW ENERGY RADIANT FLOORING, WHITE,
12 COATED, OR GREEN ROOF INSTALLATION, RECOVERY AND RECYCLING PROCESSING,
13 REPLACEMENT OF INEFFICIENT TECHNOLOGIES, CLEAN-FUEL VEHICLE SALES AND
14 REPAIR, COGENERATION TECHNOLOGY INSTALLATION AND REPAIR, AND GREEN LEGAL
15 AND FINANCIAL SERVICES;

16 (F) "GREEN RESEARCH AND DEVELOPMENT" SHALL MEAN ANY ENTITY THAT WORKS
17 PRIMARILY TO DISCOVER NEW KNOWLEDGE ABOUT GREEN PRODUCTS, PROCESSES, AND
18 SERVICES, AND THEN APPLIES THAT KNOWLEDGE TO CREATE NEW AND IMPROVED
19 GREEN PRODUCTS, PROCESSES, AND SERVICES THAT FILL MARKET NEEDS. GREEN
20 RESEARCH AND DEVELOPMENT PROJECTS INCLUDE, BUT ARE NOT LIMITED TO,
21 STUDIES INVOLVING IMPROVEMENTS TO RENEWABLE ENERGY TECHNOLOGY, SUSTAINA-
22 BLE FARMING OR LANDSCAPING PROCESSES, WATER CONSERVATION TECHNOLOGIES,
23 ENERGY EFFICIENCY TECHNOLOGY IMPROVEMENTS, ALTERNATIVE FUEL DEVELOPMENT,
24 COST-BENEFIT ANALYSES OF SUSTAINABLE PRACTICES, ENERGY RETURN ON INVEST-
25 MENT, GREEN EDUCATION OUTREACH, AND URBAN SUSTAINABILITY PRACTICES; AND

26 (G) "GREEN APPLICATION AND INSTALLATION" IS THE ACT OF A PROPERTY
27 OWNER OR TENANT INSTALLING OR USING A TYPE OF GREEN TECHNOLOGY THAT
28 RESULTS IN GREENHOUSE GAS EMISSION REDUCTION OR ANY OTHER ENERGY EFFI-
29 CIENCY TECHNOLOGIES AND SHALL ALSO INCLUDE CERTAIN WORK PERFORMED BY
30 NON-MANUFACTURING AND SERVICE COMPANIES. GREEN APPLICATION AND INSTAL-
31 LATION INCLUDES, BUT IS NOT LIMITED TO, SOLAR PANEL INSTALLATION, COGEN-
32 ERATION TECHNOLOGY RETROFITTING, GREEN ROOF INSTALLATION, LOW FLOW WATER
33 FIXTURE INSTALLATION, CLEAN-FUEL VEHICLE UTILIZATION, GREENHOUSE GAS
34 EMISSION REDUCTION TECHNOLOGY UTILIZATION, ENERGY EFFICIENCY TECHNOLOGY
35 UTILIZATION, AND LEED CERTIFICATION.

36 (A-2) "GREEN ZONE" MEANS THE AREA OF STATEN ISLAND DEFINED BY THE
37 FOLLOWING AREA BASED ON THE NEW YORK CITY DEPARTMENT OF CITY PLANNING
38 ZONING MAPS: BEGINNING AT THE INTERSECTION OF THE NORTH SIDE OF THE FOOT
39 OF THE GOETHAL BRIDGE AND THE US PIERHEAD AND BULKHEAD LINE; THENCE
40 RUNNING EASTERLY 3,214.78 FEET ALONG AND PARALLEL TO THE NORTHSIDE OF
41 THE GOETHALS BRIDGE EXTENSION TO THE CENTERLINE OF WESTERN AVENUE;
42 THENCE RUNNING NORTH 93.71 FEET TO THE CENTERLINE OF GOETHALS ROAD
43 NORTH; THENCE RUNNING EAST 5,909.12 FEET ALONG AND PARALLEL TO THE SOUTH
44 SIDE OF GOETHALS ROAD NORTH TO CENTERLINE OF SOUTH AVENUE; THENCE
45 RUNNING SOUTH 433.81 FEET ALONG AND PARALLEL TO THE WEST SIDE OF SOUTH
46 AVENUE TO THE CENTERLINE OF FAHEY AVENUE; THENCE RUNNING EAST 424.89
47 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF FAHEY AVENUE TO THE CENTER-
48 LINE OF FELTON STREET; THENCE RUNNING SOUTH 1,314.02 FEET ALONG AND
49 PARALLEL TO THE WEST SIDE OF FELTON STREET TO THE CENTERLINE OF LAMBERTS
50 LANE; THENCE RUNNING SOUTH 790.62 FEET ALONG THE FELTON STREET LINE TO
51 THE INTERSECTION OF GRAHAM AVENUE AND LANDER AVENUE; THENCE RUNNING
52 SOUTH 3,413.10 FEET ALONG AND PARALLEL TO THE WEST SIDE OF GRAHAM AVENUE
53 TO THE CENTERLINE OF VICTORY BOULEVARD; THENCE RUNNING SOUTHEAST
54 3,114.21 FEET ALONG THE WEST SIDE OF VICTORY BOULEVARD TO THE CENTERLINE
55 OF TRAVIS AVENUE; THENCE RUNNING EAST 5,030.20 FEET ALONG AND PARALLEL
56 TO THE SOUTH SIDE OF TRAVIS AVENUE TO THE CENTERLINE OF RICHMOND AVENUE;

1 THENCE RUNNING SOUTH 12,265.02 FEET ALONG AND PARALLEL TO THE WEST SIDE
2 OF RICHMOND AVENUE TO THE CENTERLINE OF ARTHUR KILL ROAD; THENCE RUNNING
3 WEST 14,266.19 FEET ALONG AND PARALLEL TO THE NORTH SIDE OF ARTHUR KILL
4 ROAD TO THE CENTERLINE OF ROSSVILLE AVENUE; THENCE RUNNING NORTH 650
5 FEET ALONG THE LINE OF ROSSVILLE AVENUE TO THE POINT OF THE US PIERHEAD
6 AND BULKHEAD LINE; THENCE RUNNING NORTH 34,553.83 FEET ALONG AND PARAL-
7 LEL TO THE EAST SIDE OF THE US PIERHEAD AND BULKHEAD LINE TO THE POINT
8 AND PLACE OF THE BEGINNING.

9 S 10. Subdivision (e) of section 25-y of the general city law is
10 amended by adding a new paragraph 4 to read as follows:

11 (4) IF USED BY A GREEN BUSINESS AFTER JULY FIRST, TWO THOUSAND ELEVEN,
12 NON-RESIDENTIAL PREMISES LOCATED ENTIRELY IN REAL PROPERTY LOCATED
13 PARTIALLY OR ENTIRELY IN A GREEN ZONE AS DEFINED IN THIS SECTION.

14 S 11. Subdivision (f) of section 25-y of the general city law, as
15 added by chapter 331 of the laws of 1987, is amended to read as follows:

16 (f) "Eligible area" means an area of a city having a population of one
17 million or more, excluding the area lying south of the center line of
18 96th Street, in the borough of Manhattan in the city of New York OR IN
19 THE CASE OF A GREEN BUSINESS RELOCATING AFTER JULY FIRST, TWO THOUSAND
20 ELEVEN, AN ELIGIBLE AREA SHALL INCLUDE A GREEN ZONE.

21 S 12. Subdivision (n) of section 25-y of the general city law, as
22 added by chapter 261 of the laws of 2000, is amended to read as follows:

23 (n) "Revitalization area" means any area of a city having a population
24 of one million or more, provided that in the city of New York a revital-
25 ization area shall mean: (I) any district that is zoned C4, C5, C6, M1,
26 M2 or M3 in accordance with the zoning resolution of such city in any
27 area such city except the area lying south of the center line of 96th
28 Street in the borough of Manhattan, OR (II) IN THE CASE OF A GREEN BUSI-
29 NESS RELOCATING AFTER JULY FIRST, TWO THOUSAND ELEVEN, A GREEN ZONE.

30 S 13. Subdivision (a) of section 25-s of the general city law is
31 amended by adding a new paragraph 1-a to read as follows:

32 (1-A) IS A GREEN BUSINESS AND TAKES OCCUPANCY OF NON-RESIDENTIAL PREM-
33 ISES AFTER JULY FIRST, TWO THOUSAND ELEVEN, FOR WHICH IT HAS, AFTER SUCH
34 DATE, ENTERED INTO A WRITTEN AGREEMENT TO BUY OR LEASE, PROVIDED THAT
35 SUCH PREMISES ARE LOCATED IN A GREEN ZONE AND THAT SUCH PREMISES ARE A
36 REPLACEMENT FOR PREMISES PREVIOUSLY OCCUPIED BY SUCH ENERGY USER FOR A
37 CONTINUOUS PERIOD OF TWENTY-FOUR MONTHS DURING THE THIRTY MONTH PERIOD
38 IMMEDIATELY PRECEDING SUCH USER'S TAKING OCCUPANCY, WHICH PREVIOUSLY
39 OCCUPIED PREMISES WERE OUTSIDE OF THE GREEN ZONE; OR

40 S 14. Section 25-s of the general city law is amended by adding two
41 new subdivisions (d-1) and (d-2) to read as follows:

42 (D-1) "GREEN BUSINESS." A "GREEN BUSINESS" SHALL BE DEFINED AS ONE
43 THAT PRIMARILY OPERATES IN ONE OR MORE OF FOUR AREAS: PRODUCTION,
44 SERVICE AND REPAIR, RESEARCH AND DEVELOPMENT AND THE APPLICATION AND
45 INSTALLATION OF GREEN PRODUCTS AND SERVICES. A GREEN PRODUCTION COMPANY
46 IS A COMPANY DEALING PRIMARILY WITH THE MANUFACTURING AND DISTRIBUTION
47 OF ENERGY EFFICIENCY TECHNOLOGIES AND GREENHOUSE GAS EMISSION REDUCTION
48 TECHNOLOGIES. GREEN PRODUCTION COMPANIES INCLUDE, BUT ARE NOT LIMITED
49 TO, BIO FUEL DEVELOPMENT, SOLAR PANEL PRODUCTION OR ASSEMBLY, WIND
50 TURBINE PRODUCTION OR ASSEMBLY, CARBON CAPTURE AND STORAGE MECHANISM,
51 CLEAN FUEL VEHICLES, RENEWABLE ENERGY DEVELOPMENT, OR ENERGY EFFICIENCY
52 TECHNOLOGIES. GREEN PRODUCTION SHALL ALSO INCLUDE, BUT SHALL NOT BE
53 LIMITED TO, THE FOLLOWING:

54 (A) "GREENHOUSE GAS EMISSION REDUCTION TECHNOLOGIES" SHALL MEAN AND
55 INCLUDE BUT NOT BE LIMITED TO: (I) COGENERATION TECHNOLOGIES, WHICH
56 SHALL MEAN ANY ONE OF THE SEVERAL TECHNOLOGIES WHEREIN WASTE HEAT FROM

1 ON-SITE ELECTRICAL GENERATION PROCESS IS RECOVERED TO PROVIDE STEAM OR
2 HOT WATER TO MEET ON-SITE NEEDS, SUCH AS HEATING AND/OR AIR CONDITIONING
3 AND WHICH ATTAINS OVERALL SYSTEM EFFICIENCY AS ESTABLISHED BY THE
4 DEPARTMENT OF ENVIRONMENTAL CONSERVATION, CONSIDERING BOTH THERMAL AND
5 ELECTRICAL PROCESS TOGETHER; (II) FURNACE AND BOILER REPLACEMENTS AND
6 RETROFITS, PROVIDED THAT NEW OR RETROFITTED FURNACES AND BOILERS SHALL
7 NOT AT ANYTIME OPERATE ON DIESEL FUEL WITH SULFUR CONTENT GREATER THAN
8 0.05 PERCENT BY WEIGHT; (III) THE PRODUCTION OF CLEAN-FUELED VEHICLES OR
9 THE CONVERSION OF EXISTING VEHICLES TO CLEAN-FUELED VEHICLES; AND (IV)
10 OTHER MEASURES THAT WILL REDUCE THE DEMAND FOR AND/OR THE CONSUMPTION OF
11 ENERGY INCLUDING FUELS, AS DETERMINED BY THE DEPARTMENT OF ENVIRONMENTAL
12 CONSERVATION IN CONSULTATION WITH THE NEW YORK STATE ENERGY RESEARCH AND
13 DEVELOPMENT AUTHORITY;

14 (B) "CLEAN-FUELED VEHICLE" SHALL MEAN ANY MOTOR VEHICLE AS DEFINED IN
15 SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW, THAT
16 USES ELECTRICITY, INCLUDING ELECTRICITY EITHER STORED OR GENERATED
17 ON-BOARD, AS ITS PRIMARY MOTIVE FORCE, OR THAT IS FUELED BY NATURAL GAS,
18 PROPANE, OR HYDROGEN;

19 (C) "ENERGY EFFICIENCY TECHNOLOGIES" SHALL MEAN TECHNOLOGIES THAT
20 REDUCE THE CONSUMPTION OF ELECTRICITY INCLUDING BUT NOT LIMITED TO: (I)
21 REPLACEMENT OF INEFFICIENT LIGHTING FIXTURES; (II) APPLIANCES AND EQUIP-
22 MENT THAT MEET ENERGY EFFICIENCY PERFORMANCE STANDARDS AS IDENTIFIED IN
23 ARTICLE SIXTEEN OF THE ENERGY LAW; AND (III) OTHER SUCH MEASURES THAT
24 WILL REDUCE THE DEMAND FOR AND/OR THE CONSUMPTION OF ELECTRICITY AS
25 DETERMINED BY THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHOR-
26 ITY;

27 (D) "RENEWABLE ENERGY DEVELOPMENT" SHALL MEAN THE PURCHASE AND INSTAL-
28 LATION OF TECHNOLOGIES DESIGNED TO CONVERT RENEWABLE ENERGY INTO ELEC-
29 TRICITY OR OTHER END USES, WHERE RENEWABLE ENERGY INCLUDES SOLAR, WIND,
30 TIDAL, FUEL CELL, GEOTHERMAL AND HYDROGEN, BUT DOES NOT INCLUDE
31 COMBUSTION OR PYROLOSIS OF SOLID WASTE AS DEFINED IN SECTION 27-0701 OF
32 THE ENVIRONMENTAL CONSERVATION LAW OR ELECTRICITY GENERATED FROM NUCLEAR
33 POWER PLANTS;

34 (E) "GREEN SERVICE AND REPAIR" SHALL MEAN ANY COMPANY THAT DEALS
35 PRIMARILY WITH THE PROVISION OF SERVICES TO OTHER COMPANIES OR INDIVID-
36 UALS IN A SUSTAINABLE OR ENERGY EFFICIENT MANNER. GREEN SERVICE AND
37 REPAIR COMPANIES INCLUDE, BUT ARE NOT LIMITED TO, THOSE OFFERING SUCH
38 SERVICES AS GREEN ROOFING, LEED CERTIFICATION AND INSPECTION SERVICES,
39 USE AND SALE OF LOW VOC PAINTS, LOW ENERGY RADIANT FLOORING, WHITE,
40 COATED, OR GREEN ROOF INSTALLATION, RECOVERY AND RECYCLING PROCESSING,
41 REPLACEMENT OF INEFFICIENT TECHNOLOGIES, CLEAN-FUEL VEHICLE SALES AND
42 REPAIR, COGENERATION TECHNOLOGY INSTALLATION AND REPAIR, AND GREEN LEGAL
43 AND FINANCIAL SERVICES;

44 (F) "GREEN RESEARCH AND DEVELOPMENT" SHALL MEAN ANY ENTITY THAT WORKS
45 PRIMARILY TO DISCOVER NEW KNOWLEDGE ABOUT GREEN PRODUCTS, PROCESSES, AND
46 SERVICES, AND THEN APPLIES THAT KNOWLEDGE TO CREATE NEW AND IMPROVED
47 GREEN PRODUCTS, PROCESSES, AND SERVICES THAT FILL MARKET NEEDS. GREEN
48 RESEARCH AND DEVELOPMENT PROJECTS INCLUDE, BUT ARE NOT LIMITED TO,
49 STUDIES INVOLVING IMPROVEMENTS TO RENEWABLE ENERGY TECHNOLOGY, SUSTAINA-
50 BLE FARMING OR LANDSCAPING PROCESSES, WATER CONSERVATION TECHNOLOGIES,
51 ENERGY EFFICIENCY TECHNOLOGY IMPROVEMENTS, ALTERNATIVE FUEL DEVELOPMENT,
52 COST-BENEFIT ANALYSES OF SUSTAINABLE PRACTICES, ENERGY RETURN ON INVEST-
53 MENT, GREEN EDUCATION OUTREACH, AND URBAN SUSTAINABILITY PRACTICES; AND

54 (G) "GREEN APPLICATION AND INSTALLATION" IS THE ACT OF A PROPERTY
55 OWNER OR TENANT INSTALLING OR USING A TYPE OF GREEN TECHNOLOGY THAT
56 RESULTS IN GREENHOUSE GAS EMISSION REDUCTION OR ANY OTHER ENERGY EFFI-

CIENCY TECHNOLOGIES AND SHALL ALSO INCLUDE CERTAIN WORK PERFORMED BY NON-MANUFACTURING AND SERVICE COMPANIES. GREEN APPLICATION AND INSTALLATION INCLUDES, BUT IS NOT LIMITED TO, SOLAR PANEL INSTALLATION, COGENERATION TECHNOLOGY RETROFITTING, GREEN ROOF INSTALLATION, LOW FLOW WATER FIXTURE INSTALLATION, CLEAN-FUEL VEHICLE UTILIZATION, GREENHOUSE GAS EMISSIONS REDUCTION TECHNOLOGY UTILIZATION, ENERGY EFFICIENCY TECHNOLOGY UTILIZATION, AND LEED CERTIFICATION.

(D-2) "GREEN ZONE". THE AREA OF STATEN ISLAND DEFINED BY THE FOLLOWING AREA BASED ON THE NEW YORK CITY DEPARTMENT OF CITY PLANNING ZONING MAPS: BEGINNING AT THE INTERSECTION OF THE NORTH SIDE OF THE FOOT OF THE GOETHALS BRIDGE AND THE US PIERHEAD AND BULKHEAD LINE; THENCE RUNNING EASTERLY 3,214.78 FEET ALONG AND PARALLEL TO THE NORTH SIDE OF THE GOETHALS BRIDGE EXTENSION TO THE CENTERLINE OF WESTERN AVENUE; THENCE RUNNING NORTH 93.71 FEET TO THE CENTERLINE OF GOETHALS ROAD NORTH; THENCE RUNNING EAST 5,909.12 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF GOETHALS ROAD NORTH TO CENTERLINE OF SOUTH AVENUE; THENCE RUNNING SOUTH 433.81 FEET ALONG AND PARALLEL TO THE WEST SIDE OF SOUTH AVENUE TO THE CENTERLINE OF FAHEY AVENUE; THENCE RUNNING EAST 424.89 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF FAHEY AVENUE TO THE CENTERLINE OF FELTON STREET; THENCE RUNNING SOUTH 1,314.02 FEET ALONG AND PARALLEL TO THE WEST SIDE OF FELTON STREET TO THE CENTERLINE OF LAMBERTS LANE; THENCE RUNNING SOUTH 790.62 FEET ALONG THE FELTON STREET LINE TO THE INTERSECTION OF GRAHAM AVENUE AND LANDER AVENUE; THENCE RUNNING SOUTH 3,413.10 FEET ALONG AND PARALLEL TO THE WEST SIDE OF GRAHAM AVENUE TO THE CENTERLINE OF VICTORY BOULEVARD; THENCE RUNNING SOUTHEAST 3,114.21 FEET ALONG THE WEST SIDE OF VICTORY BOULEVARD TO THE CENTERLINE OF TRAVIS AVENUE; THENCE RUNNING EAST 5,030.20 FEET ALONG AND PARALLEL TO THE SOUTH SIDE OF TRAVIS AVENUE TO THE CENTERLINE OF RICHMOND AVENUE; THENCE RUNNING SOUTH 12,265.02 FEET ALONG AND PARALLEL TO THE WEST SIDE OF RICHMOND AVENUE TO THE CENTERLINE OF ARTHUR KILL ROAD; THENCE RUNNING WEST 14,266.19 FEET ALONG AND PARALLEL TO THE NORTH SIDE OF ARTHUR KILL ROAD TO THE CENTERLINE OF ROSSVILLE AVENUE; THENCE RUNNING NORTH 650 FEET ALONG THE LINE OF ROSSVILLE AVENUE TO THE POINT OF THE US PIERHEAD AND BULKHEAD LINE; THENCE RUNNING NORTH 34,553.83 FEET ALONG AND PARALLEL TO THE EAST SIDE OF THE US PIERHEAD AND BULKHEAD LINE TO THE POINT AND PLACE OF BEGINNING.

S 15. Subdivision (g) of section 25-s of the general city law, as added by chapter 551 of the laws of 1985, is amended to read as follows:

(g) "Eligible areas". Areas of a city designated by local law enacted pursuant to section twenty-five-t of this article as needing the benefits available under this article as an inducement to economic development, provided that the area lying south of the center line of 96th Street, in the borough of Manhattan in the city of New York, shall not be so designated. NOTWITHSTANDING THE PROVISIONS OF THIS SUBDIVISION, A GREEN ZONE SHALL BE CONSIDERED AN ELIGIBLE AREA.

S 16. The real property tax law is amended by adding a new section 485-n to read as follows:

S 485-N. GREEN ECONOMIC DEVELOPMENT ZONE EXEMPTION. 1. (A) REAL PROPERTY CONSTRUCTED, ALTERED, INSTALLED OR IMPROVED IN AN AREA DESIGNATED A GREEN ECONOMIC DEVELOPMENT ZONE PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW SHALL BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM LEVIES BY ANY MUNICIPAL CORPORATION IN WHICH LOCATED, FOR THE PERIOD AND TO THE EXTENT HEREIN PROVIDED, PROVIDED THAT THE GOVERNING BOARD OF SUCH MUNICIPAL CORPORATION, AFTER PUBLIC HEARING, ADOPTS A LOCAL LAW, ORDINANCE OR RESOLUTION PROVIDING THEREFOR.

(B) FOR EXEMPTIONS COMMENCING IN THE FIRST SEVEN YEARS FROM THE DATE ON WHICH THE GREEN ECONOMIC DEVELOPMENT ZONE WAS DESIGNATED, THE AMOUNT OF SUCH EXEMPTION IN ANY OF THESE YEARS SHALL BE ONE HUNDRED PERCENT OF THE "BASE AMOUNT", DETERMINED PURSUANT TO SUBDIVISION TWO OF THIS SECTION. IN THE EIGHTH, NINTH AND TENTH YEARS, THE AMOUNT OF THE EXEMPTION SHALL BE SEVENTY-FIVE PERCENT, FIFTY PERCENT, AND TWENTY-FIVE PERCENT, RESPECTIVELY, OF SUCH BASE AMOUNT.

(C) FOR EXEMPTIONS COMMENCING IN THE EIGHTH, NINTH AND TENTH YEARS FROM THE DATE ON WHICH THE GREEN ECONOMIC DEVELOPMENT ZONE WAS DESIGNATED, THE AMOUNT OF SUCH EXEMPTION SHALL BE SEVENTY-FIVE PERCENT, FIFTY PERCENT AND TWENTY-FIVE PERCENT, RESPECTIVELY, OF THE "BASE AMOUNT", DETERMINED PURSUANT TO SUBDIVISION TWO OF THIS SECTION.

1-A. (A) A MUNICIPAL CORPORATION MAY PROVIDE IN SUCH LOCAL LAW, ORDINANCE OR RESOLUTION, OR IN A SEPARATE LOCAL LAW, ORDINANCE OR RESOLUTION ADOPTED AFTER PUBLIC HEARING, THAT THE EXEMPTION SO AUTHORIZED SHALL BE FOR A TERM OF TEN YEARS, NOTWITHSTANDING THAT THE DESIGNATION OF THE ZONE MAY EXPIRE PRIOR TO THE END OF SUCH TEN YEAR TERM. ANY SUCH LOCAL LAW, ORDINANCE OR RESOLUTION SHALL BE APPLICABLE ONLY TO EXEMPTIONS COMMENCING ON ASSESSMENT ROLLS WITH TAXABLE STATUS DATES ON OR AFTER THE EFFECTIVE DATE OF SUCH LOCAL LAW, ORDINANCE OR RESOLUTION.

(B) WHERE SUCH LOCAL LAW, ORDINANCE OR RESOLUTION HAS BEEN ADOPTED, THE AMOUNT OF SUCH EXEMPTION IN THE FIRST SEVEN YEARS OF ITS TERM SHALL BE ONE HUNDRED PERCENT OF THE "BASE AMOUNT," DETERMINED PURSUANT TO SUBDIVISION TWO OF THIS SECTION. THE AMOUNT OF THE EXEMPTION IN THE EIGHTH, NINTH, AND TENTH YEARS OF ITS TERM SHALL BE SEVENTY-FIVE PERCENT, FIFTY PERCENT AND TWENTY-FIVE PERCENT, RESPECTIVELY, OF SUCH BASE AMOUNT.

2. (A) THE BASE AMOUNT OF THE EXEMPTION SHALL BE THE EXTENT OF THE INCREASE IN ASSESSED VALUE ATTRIBUTABLE TO SUCH CONSTRUCTION, ALTERATION, INSTALLATION OR IMPROVEMENT AS DETERMINED IN THE INITIAL YEAR FOR WHICH APPLICATION FOR EXEMPTION IS MADE PURSUANT TO THIS SECTION. THE BASE AMOUNT SHALL REMAIN CONSTANT FOR THE AUTHORIZED TERM OF THE EXEMPTION, SUBJECT TO THE FOLLOWING:

(I) IF THERE IS SUBSEQUENT CONSTRUCTION, ALTERATION, INSTALLATION OR IMPROVEMENT DURING THE TERM OF THE EXEMPTION, THE BASE AMOUNT SHALL BE REVISED TO INCLUDE THE INCREASE IN ASSESSED VALUE ATTRIBUTABLE TO SUCH CONSTRUCTION, ALTERATION, INSTALLATION OR IMPROVEMENT.

(II) IF A CHANGE IN LEVEL OF ASSESSMENT OF FIFTEEN PERCENT OR MORE IS CERTIFIED FOR AN ASSESSMENT ROLL PURSUANT TO THE RULES OF THE STATE BOARD, THE BASE AMOUNT SHALL BE ADJUSTED BY SUCH CHANGE IN LEVEL OF ASSESSMENT. THE EXEMPTION ON THAT ASSESSMENT ROLL SHALL THEREUPON BE RECOMPUTED, NOTWITHSTANDING THE FACT THAT THE ASSESSOR RECEIVES THE CERTIFICATION AFTER THE COMPLETION, VERIFICATION AND FILING OF THE FINAL ASSESSMENT ROLL. IN THE EVENT THE ASSESSOR DOES NOT HAVE CUSTODY OF THE ROLL WHEN SUCH CERTIFICATION IS RECEIVED, THE ASSESSOR SHALL CERTIFY THE RECOMPUTED EXEMPTION TO THE LOCAL OFFICERS HAVING CUSTODY AND CONTROL OF THE ROLL, AND SUCH LOCAL OFFICERS ARE HEREBY DIRECTED AND AUTHORIZED TO ENTER THE RECOMPUTED EXEMPTION CERTIFIED BY THE ASSESSOR ON THE ROLL.

(B) NO SUCH EXEMPTION SHALL BE GRANTED UNLESS, PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW:

(1) NOTICE OF THE DESIGNATION OF THE GREEN ECONOMIC DEVELOPMENT ZONE HAS BEEN FILED WITH THE CLERK OF THE ASSESSING UNIT BY THE COMMISSIONER ON OR BEFORE THE APPLICABLE TAXABLE STATUS DATE;

(2) THE CONSTRUCTION, ALTERATION, INSTALLATION OR IMPROVEMENT COMMENCED ON OR AFTER THE DATE THE GREEN ECONOMIC DEVELOPMENT ZONE WAS DESIGNATED; AND

(3) THE DESIGNATION OF THE GREEN ECONOMIC DEVELOPMENT ZONE HAS NOT ENDED AND HAS NOT BEEN TERMINATED BY THE COMMISSIONER ON OR BEFORE THE APPLICABLE TAXABLE STATUS DATE.

(C) FOR PURPOSES OF THIS SECTION THE TERMS CONSTRUCTION, ALTERATION, INSTALLATION AND IMPROVEMENT SHALL NOT INCLUDE ORDINARY MAINTENANCE AND REPAIRS.

(D) NO SUCH EXEMPTION SHALL BE GRANTED CONCURRENT WITH OR SUBSEQUENT TO ANY OTHER REAL PROPERTY TAX EXEMPTION GRANTED TO THE SAME IMPROVEMENTS TO REAL PROPERTY, EXCEPT, WHERE DURING THE PERIOD OF SUCH PREVIOUS EXEMPTION, PAYMENTS IN LIEU OF TAXES OR OTHER PAYMENTS WERE MADE TO THE LOCAL GOVERNMENT IN AN AMOUNT THAT WOULD HAVE BEEN EQUAL TO OR GREATER THAN THE AMOUNT OF REAL PROPERTY TAXES THAT WOULD HAVE BEEN PAID ON SUCH IMPROVEMENTS HAD SUCH PROPERTY BEEN GRANTED AN EXEMPTION PURSUANT TO THIS SECTION. IN SUCH CASE, AN EXEMPTION SHALL BE GRANTED FOR A NUMBER OF YEARS EQUAL TO THE TEN YEAR EXEMPTION GRANTED PURSUANT TO THIS SECTION LESS THE NUMBER OF YEARS THE PROPERTY WOULD HAVE BEEN PREVIOUSLY EXEMPT FROM REAL PROPERTY TAXES.

3. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE STATE BOARD. THE ORIGINAL OF SUCH APPLICATION SHALL BE FILED WITH THE ASSESSOR OF THE ASSESSING UNIT. SUCH ORIGINAL APPLICATION SHALL BE FILED ON OR BEFORE THE APPROPRIATE TAXABLE STATUS DATE OF SUCH ASSESSING UNIT AND NO LATER THAN ONE YEAR FROM THE DATE OF COMPLETION OF SUCH CONSTRUCTION, ALTERATION, INSTALLATION OR IMPROVEMENT.

4. IF THE ASSESSOR RECEIVES THE NOTICE DESCRIBED IN SUBPARAGRAPH ONE OF PARAGRAPH (B) OF SUBDIVISION TWO OF THIS SECTION AND AN APPLICATION BY THE OWNER OF THE REAL PROPERTY, HE SHALL APPROVE THE APPLICATION AND SUCH REAL PROPERTY SHALL THEREAFTER BE EXEMPT FROM TAXATION AS HEREIN PROVIDED COMMENCING WITH THE ASSESSMENT ROLL PREPARED AFTER THE TAXABLE STATUS DATE REFERRED TO IN SUBDIVISION THREE OF THIS SECTION. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS SECTION SHALL BE ENTERED BY THE ASSESSOR ON THE ASSESSMENT ROLL WITH THE TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION ENTERED IN A SEPARATE COLUMN.

5. EXEMPTIONS EXISTING PRIOR IN TIME TO THE TERMINATION OF THE DESIGNATION OF A GREEN ECONOMIC DEVELOPMENT ZONE BY THE COMMISSIONER, OR, IN THE CASE OF A MUNICIPAL CORPORATION WHICH HAS ADOPTED A LOCAL LAW, ORDINANCE OR RESOLUTION PURSUANT TO SUBDIVISION ONE-A OF THIS SECTION, PRIOR IN TIME TO THE EXPIRATION OF SUCH DESIGNATION, SHALL CONTINUE AS IF THE DESIGNATION OF THE GREEN ECONOMIC DEVELOPMENT ZONE HAD NOT BEEN TERMINATED, OR, IF APPLICABLE, HAD NOT EXPIRED; PROVIDED, HOWEVER, THAT ANY FURTHER INCREASE IN THE VALUE ATTRIBUTABLE TO CONSTRUCTION, ALTERATION, INSTALLATION OR IMPROVEMENT COMMENCED SUBSEQUENT TO THE DATE OF TERMINATION, OR, IF APPLICABLE, THE DATE OF EXPIRATION, SHALL NOT BE ELIGIBLE FOR EXEMPTION PURSUANT TO THIS SECTION.

S 17. Section 186-a of the tax law is amended by adding a new subdivision 11 to read as follows:

11. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER OR ANY OTHER LAW TO THE CONTRARY, ANY UTILITY (A) WHICH IS SUBJECT TO TAX HEREUNDER, AND (B) WHICH IS SUBJECT TO THE SUPERVISION OF THE DEPARTMENT OF PUBLIC SERVICE, SHALL PROVIDE, IN ADDITION TO ANY OTHER DISCOUNT, A REDUCTION OF THREE PERCENT IN THE RATE CHARGED FOR GAS, ELECTRICITY, STEAM OR WATER SOLD, OR GAS, ELECTRIC, STEAM OR WATER SERVICE RENDERED, PRIOR TO NINETEEN HUNDRED NINETY-FOUR, FOR ULTIMATE CONSUMPTION OR USE WITHIN AN AREA DESIGNATED AS A GREEN ECONOMIC DEVELOPMENT ZONE PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW BY A BUSINESS, WHETHER INCORPORATED OR UNINCORPORATED, OTHER THAN A RETAIL ENTERPRISE AS DEFINED IN

1 PARAGRAPH (K) OF SUBDIVISION TWELVE OF SECTION TWO HUNDRED TEN OF THIS
2 CHAPTER BUT WITHOUT REGARD TO SUBPARAGRAPH (III) THEREOF, WHICH HAS BEEN
3 CERTIFIED PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW,
4 AND WHICH HAS CLAIMED A CREDIT UNDER SUBDIVISION TWELVE-H OF SECTION TWO
5 HUNDRED TEN, SUBSECTION (E) OF SECTION FOURTEEN HUNDRED FIFTY-SIX OR
6 SUBDIVISION (G) OF SECTION FIFTEEN HUNDRED ELEVEN OF THIS CHAPTER DURING
7 THE PREVIOUS FIFTEEN MONTHS, AS EVIDENCED BY A CERTIFICATE ISSUED BY THE
8 COMMISSIONER TO SUCH BUSINESS. NINETY-SIX AND ONE-HALF PERCENT OF THE
9 AGGREGATE OF SUCH REDUCTIONS DURING THE YEAR MAY BE APPLIED AS A CREDIT
10 AGAINST THE TAX IMPOSED PURSUANT TO THIS SECTION WITH RESPECT TO SUCH
11 YEAR.

12 S 18. Section 210 of the tax law is amended by adding two new subdivi-
13 sions 12-H and 12-I to read as follows:

14 12-H. GREEN ECONOMIC DEVELOPMENT ZONE INVESTMENT TAX CREDIT (GED-ITC).
15 (A) A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREIN
16 PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE IF THE TAXPAYER HAS
17 BEEN CERTIFIED PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL
18 LAW. THE AMOUNT OF THE CREDIT SHALL BE TEN PERCENT OF THE COST OR OTHER
19 BASIS FOR FEDERAL INCOME TAX PURPOSES OF TANGIBLE PERSONAL PROPERTY AND
20 OTHER TANGIBLE PROPERTY, INCLUDING BUILDINGS AND STRUCTURAL COMPONENTS
21 OF BUILDINGS, DESCRIBED IN PARAGRAPH (B) OF THIS SUBDIVISION, WHICH IS
22 LOCATED WITHIN A GREEN ECONOMIC DEVELOPMENT ZONE DESIGNATED AS SUCH
23 PURSUANT TO ARTICLE EIGHTEEN-D OF SUCH LAW, BUT ONLY IF THE ACQUISITION,
24 CONSTRUCTION, RECONSTRUCTION OR ERECTION OF SUCH PROPERTY OCCURRED OR
25 WAS COMMENCED ON OR AFTER THE DATE OF SUCH DESIGNATION AND PRIOR TO THE
26 EXPIRATION THEREOF. PROVIDED, HOWEVER, THAT IN THE CASE OF AN ACQUI-
27 SITION, CONSTRUCTION, RECONSTRUCTION OR ERECTION WHICH WAS COMMENCED
28 DURING SUCH PERIOD AND CONTINUED OR COMPLETED SUBSEQUENTLY, SUCH CREDIT
29 SHALL BE TEN PERCENT OF THE PORTION OF THE COST OR OTHER BASIS FOR
30 FEDERAL INCOME TAX PURPOSES ATTRIBUTABLE TO SUCH PERIOD, WHICH PORTION
31 SHALL BE ASCERTAINED BY MULTIPLYING SUCH COST OR BASIS BY A FRACTION THE
32 NUMERATOR OF WHICH SHALL BE THE EXPENDITURES PAID OR INCURRED DURING
33 SUCH PERIOD FOR SUCH PURPOSES AND THE DENOMINATOR OF WHICH SHALL BE THE
34 TOTAL OF ALL EXPENDITURES PAID OR INCURRED FOR SUCH ACQUISITION,
35 CONSTRUCTION, RECONSTRUCTION OR ERECTION.

36 (B) A CREDIT SHALL BE ALLOWED UNDER THIS SUBDIVISION WITH RESPECT TO
37 TANGIBLE PERSONAL PROPERTY AND OTHER TANGIBLE PROPERTY, INCLUDING BUILD-
38 INGS AND STRUCTURAL COMPONENTS OF BUILDINGS, WHICH (I) ARE DEPRECIABLE
39 PURSUANT TO SECTION ONE HUNDRED SIXTY-SEVEN OF THE INTERNAL REVENUE
40 CODE, (II) HAVE A USEFUL LIFE OF FOUR YEARS OR MORE, (III) ARE ACQUIRED
41 BY PURCHASE AS DEFINED IN SECTION ONE HUNDRED SEVENTY-NINE (D) OF THE
42 INTERNAL REVENUE CODE, (IV) HAVE A SITUS IN A GREEN ECONOMIC DEVELOPMENT
43 ZONE DESIGNATED AS SUCH PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL
44 MUNICIPAL LAW, AND (V) ARE (A) PRINCIPALLY USED BY THE TAXPAYER IN THE
45 PRODUCTION OF GOODS BY MANUFACTURING, PROCESSING, ASSEMBLING, REFINING,
46 MINING, EXTRACTING, FARMING, AGRICULTURE, HORTICULTURE, FLORICULTURE,
47 VITICULTURE OR COMMERCIAL FISHING, (B) INDUSTRIAL WASTE TREATMENT FACIL-
48 ITIES OR AIR POLLUTION CONTROL FACILITIES USED IN THE TAXPAYER'S TRADE
49 OR BUSINESS, (C) RESEARCH AND DEVELOPMENT PROPERTY, (D) PRINCIPALLY USED
50 IN THE ORDINARY COURSE OF THE TAXPAYER'S TRADE OR BUSINESS AS A BROKER
51 OR DEALER IN CONNECTION WITH THE PURCHASE OR SALE (WHICH SHALL INCLUDE
52 BUT NOT BE LIMITED TO THE ISSUANCE, ENTERING INTO, ASSUMPTION, OFFSET,
53 ASSIGNMENT, TERMINATION, OR TRANSFER) OF STOCKS, BONDS OR OTHER SECURI-
54 TIES AS DEFINED IN SECTION FOUR HUNDRED SEVENTY-FIVE (C)(2) OF THE
55 INTERNAL REVENUE CODE, OR OF COMMODITIES AS DEFINED IN SECTION FOUR
56 HUNDRED SEVENTY-FIVE (E) OF THE INTERNAL REVENUE CODE, (E) PRINCIPALLY

1 USED IN THE ORDINARY COURSE OF THE TAXPAYER'S TRADE OR BUSINESS OF
2 PROVIDING INVESTMENT ADVISORY SERVICES FOR A REGULATED INVESTMENT COMPA-
3 NY AS DEFINED IN SECTION EIGHT HUNDRED FIFTY-ONE OF THE INTERNAL REVENUE
4 CODE, OR LENDING, LOAN ARRANGEMENT, OR LOAN ORIGATION SERVICES TO
5 CUSTOMERS IN CONNECTION WITH THE PURCHASE OR SALE (WHICH SHALL INCLUDE
6 BUT NOT BE LIMITED TO THE ISSUANCE, ENTERING INTO, ASSUMPTION, OFFSET,
7 ASSIGNMENT, TERMINATION OR TRANSFER) OF SECURITIES AS DEFINED IN SECTION
8 FOUR HUNDRED SEVENTY-FIVE (C)(2) OF THE INTERNAL REVENUE CODE, OR (F)
9 PRINCIPALLY USED IN THE ORDINARY COURSE OF THE TAXPAYER'S BUSINESS AS AN
10 EXCHANGE REGISTERED AS A NATIONAL SECURITIES EXCHANGE WITHIN THE MEANING
11 OF SECTIONS 3(A)(1) AND 6(A) OF THE SECURITIES EXCHANGE ACT OF 1934 OR A
12 BOARD OF TRADE AS DEFINED IN SUBPARAGRAPH ONE OF PARAGRAPH (A) OF
13 SECTION FOURTEEN HUNDRED TEN OF THE NOT-FOR-PROFIT CORPORATION LAW OR AS
14 AN ENTITY THAT IS WHOLLY OWNED BY ONE OR MORE SUCH NATIONAL SECURITIES
15 EXCHANGES OR BOARDS OF TRADE AND THAT PROVIDES AUTOMATION OR TECHNICAL
16 SERVICES THERETO. FOR PURPOSES OF CLAUSES (D), (E) AND (F) OF SUBPARA-
17 GRAPH (V) OF THIS PARAGRAPH, PROPERTY PURCHASED BY A TAXPAYER AFFILIATED
18 WITH A REGULATED BROKER, DEALER, REGISTERED INVESTMENT ADVISER, NATIONAL
19 SECURITIES EXCHANGE OR BOARD OF TRADE IS ALLOWED A CREDIT UNDER THIS
20 SUBDIVISION IF THE PROPERTY IS USED BY ITS AFFILIATED REGULATED BROKER,
21 DEALER, REGISTERED INVESTMENT ADVISER OR NATIONAL SECURITIES EXCHANGE OR
22 BOARD OF TRADE IN ACCORDANCE WITH THIS SUBDIVISION. FOR PURPOSES OF
23 DETERMINING IF THE PROPERTY IS PRINCIPALLY USED IN QUALIFYING USES, THE
24 USES BY THE TAXPAYER DESCRIBED IN CLAUSES (D) AND (E) OF SUBPARAGRAPH
25 (V) OF THIS PARAGRAPH MAY BE AGGREGATED. IN ADDITION, THE USES BY THE
26 TAXPAYER, ITS AFFILIATED REGULATED BROKER, DEALER AND REGISTERED INVEST-
27 MENT ADVISER UNDER EITHER OR BOTH OF THOSE CLAUSES MAY BE AGGREGATED.
28 PROVIDED, HOWEVER, A TAXPAYER SHALL NOT BE ALLOWED THE CREDIT PROVIDED
29 BY CLAUSES (D), (E) AND (F) OF THIS SUBPARAGRAPH UNLESS (I) EIGHTY
30 PERCENT OR MORE OF THE EMPLOYEES PERFORMING THE ADMINISTRATIVE AND
31 SUPPORT FUNCTIONS RESULTING FROM OR RELATED TO THE QUALIFYING USES OF
32 SUCH EQUIPMENT ARE LOCATED IN THIS STATE, OR (II) THE AVERAGE NUMBER OF
33 EMPLOYEES THAT PERFORM THE ADMINISTRATIVE AND SUPPORT FUNCTIONS RESULT-
34 ING FROM OR RELATED TO THE QUALIFYING USES OF SUCH EQUIPMENT AND ARE
35 LOCATED IN THIS STATE DURING THE TAXABLE YEAR FOR WHICH THE CREDIT IS
36 CLAIMED IS EQUAL TO OR GREATER THAN NINETY-FIVE PERCENT OF THE AVERAGE
37 NUMBER OF EMPLOYEES THAT PERFORM THESE FUNCTIONS AND ARE LOCATED IN THIS
38 STATE DURING THE THIRTY-SIX MONTHS IMMEDIATELY PRECEDING THE YEAR FOR
39 WHICH THE CREDIT IS CLAIMED, OR (III) THE NUMBER OF EMPLOYEES LOCATED IN
40 THIS STATE DURING THE TAXABLE YEAR FOR WHICH THE CREDIT IS CLAIMED IS
41 EQUAL TO OR GREATER THAN NINETY PERCENT OF THE NUMBER OF EMPLOYEES
42 LOCATED IN THIS STATE ON DECEMBER THIRTY-FIRST, NINETEEN HUNDRED NINE-
43 TY-EIGHT OR, IF THE TAXPAYER WAS NOT A CALENDAR YEAR TAXPAYER IN NINE-
44 TEEN HUNDRED NINETY-EIGHT, THE LAST DAY OF ITS FIRST TAXABLE YEAR ENDING
45 AFTER DECEMBER THIRTY-FIRST, NINETEEN HUNDRED NINETY-EIGHT. IF THE
46 TAXPAYER BECOMES SUBJECT TO TAX IN THIS STATE AFTER THE TAXABLE YEAR
47 BEGINNING IN NINETEEN HUNDRED NINETY-EIGHT, THEN THE TAXPAYER IS NOT
48 REQUIRED TO SATISFY THE EMPLOYMENT TEST PROVIDED IN THE PRECEDING
49 SENTENCE OF THIS SUBPARAGRAPH FOR ITS FIRST TAXABLE YEAR. FOR THE
50 PURPOSES OF CLAUSE (III) OF THIS SUBPARAGRAPH THE EMPLOYMENT TEST WILL
51 BE BASED ON THE NUMBER OF EMPLOYEES LOCATED IN THIS STATE ON THE LAST
52 DAY OF THE FIRST TAXABLE YEAR THE TAXPAYER IS SUBJECT TO TAX IN THIS
53 STATE. IF THE USES OF THE PROPERTY MUST BE AGGREGATED TO DETERMINE
54 WHETHER THE PROPERTY IS PRINCIPALLY USED IN QUALIFYING USES, THEN EITHER
55 EACH AFFILIATE USING THE PROPERTY MUST SATISFY THIS EMPLOYMENT TEST OR
56 THIS EMPLOYMENT TEST MUST BE SATISFIED THROUGH THE AGGREGATION OF THE

1 EMPLOYEES OF THE TAXPAYER, ITS AFFILIATED REGULATED BROKER, DEALER, AND
2 REGISTERED INVESTMENT ADVISER USING THE PROPERTY. FOR THE PURPOSE OF
3 THIS SUBDIVISION, THE TERM "GOODS" SHALL NOT INCLUDE ELECTRICITY. FOR
4 PURPOSES OF THIS PARAGRAPH, MANUFACTURING SHALL MEAN THE PROCESS OF
5 WORKING RAW MATERIALS INTO WARES SUITABLE FOR USE OR WHICH GIVES NEW
6 SHAPES, NEW QUALITY OR NEW COMBINATIONS TO MATTER WHICH ALREADY HAS GONE
7 THROUGH SOME ARTIFICIAL PROCESS BY THE USE OF MACHINERY, TOOLS, APPLI-
8 ANCES AND OTHER SIMILAR EQUIPMENT. PROPERTY USED IN THE PRODUCTION OF
9 GOODS SHALL INCLUDE MACHINERY, EQUIPMENT OR OTHER TANGIBLE PROPERTY
10 WHICH IS PRINCIPALLY USED IN THE REPAIR AND SERVICE OF OTHER MACHINERY,
11 EQUIPMENT OR OTHER TANGIBLE PROPERTY USED PRINCIPALLY IN THE PRODUCTION
12 OF GOODS AND SHALL INCLUDE ALL FACILITIES USED IN THE PRODUCTION OPERA-
13 TION, INCLUDING STORAGE OF MATERIAL TO BE USED IN PRODUCTION AND OF THE
14 PRODUCTS THAT ARE PRODUCED. FOR PURPOSES OF THIS PARAGRAPH, THE TERMS
15 "RESEARCH AND DEVELOPMENT PROPERTY", "INDUSTRIAL WASTE TREATMENT FACILI-
16 TIES", AND "AIR POLLUTION CONTROL FACILITIES" SHALL HAVE THE MEANINGS
17 ASCRIBED THERETO BY CLAUSES (B), (C) AND (D), RESPECTIVELY, OF SUBPARA-
18 GRAPH (II) OF PARAGRAPH (B) OF SUBDIVISION TWELVE OF THIS SECTION, AND
19 THE PROVISIONS OF SUBPARAGRAPH (III) OF SUCH PARAGRAPH (B) SHALL APPLY.

20 (C) A TAXPAYER SHALL NOT BE ALLOWED A CREDIT UNDER THIS SUBDIVISION
21 WITH RESPECT TO ANY TANGIBLE PERSONAL PROPERTY AND OTHER TANGIBLE PROP-
22 erty, INCLUDING BUILDINGS AND STRUCTURAL COMPONENTS OF BUILDINGS, WHICH
23 IT LEASES TO ANY OTHER PERSON OR CORPORATION EXCEPT WHERE A TAXPAYER
24 LEASES PROPERTY TO AN AFFILIATED REGULATED BROKER, DEALER, REGISTERED
25 INVESTMENT ADVISER, NATIONAL SECURITIES EXCHANGE OR BOARD OF TRADE (OR
26 OTHER ENTITY DESCRIBED IN CLAUSE (F) OF SUBPARAGRAPH (V) OF PARAGRAPH
27 (B) OF THIS SUBDIVISION THAT USES SUCH PROPERTY IN ACCORDANCE WITH
28 CLAUSE (D), (E) OR (F) OF SUBPARAGRAPH (V) OF PARAGRAPH (B) OF THIS
29 SUBDIVISION. FOR PURPOSES OF THE PRECEDING SENTENCE, ANY CONTRACT OR
30 AGREEMENT TO LEASE OR RENT OR FOR A LICENSE TO USE SUCH PROPERTY SHALL
31 BE CONSIDERED A LEASE. PROVIDED, HOWEVER, IN DETERMINING WHETHER A
32 TAXPAYER SHALL BE ALLOWED A CREDIT UNDER THIS SUBDIVISION WITH RESPECT
33 TO SUCH PROPERTY, ANY ELECTION MADE WITH RESPECT TO SUCH PROPERTY PURSU-
34 ANT TO THE PROVISIONS OF PARAGRAPH EIGHT OF SUBSECTION (F) OF SECTION
35 ONE HUNDRED SIXTY-EIGHT OF THE INTERNAL REVENUE CODE, AS SUCH PARAGRAPH
36 WAS IN EFFECT FOR AGREEMENTS ENTERED INTO PRIOR TO JANUARY FIRST, NINE-
37 TEEN HUNDRED EIGHTY-FOUR, SHALL BE DISREGARDED.

38 (D) THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR
39 SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE HIGHER OF
40 THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVISION ONE OF
41 THIS SECTION. PROVIDED, HOWEVER, THAT IF THE AMOUNT OF CREDIT ALLOWED
42 UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH
43 AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE
44 CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE
45 TAXPAYER'S TAX FOR SUCH YEAR OR YEARS. IN LIEU OF SUCH CARRYOVER, ANY
46 SUCH TAXPAYER WHICH QUALIFIES AS A NEW BUSINESS UNDER PARAGRAPH (J) OF
47 SUBDIVISION TWELVE OF THIS SECTION MAY ELECT, ON ITS REPORT FOR ITS
48 TAXABLE YEAR WITH RESPECT TO WHICH SUCH CREDIT IS ALLOWED, TO TREAT
49 FIFTY PERCENT OF THE AMOUNT OF SUCH CARRYOVER AS AN OVERPAYMENT OF TAX
50 TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION
51 TEN HUNDRED EIGHTY-SIX OF THIS CHAPTER. IN ADDITION, ANY TAXPAYER WHICH
52 IS APPROVED AS THE OWNER OF A QUALIFIED INVESTMENT PROJECT OR A SIGNIF-
53 ICANT CAPITAL INVESTMENT PROJECT PURSUANT TO RULES AND REGULATIONS
54 PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT, ON ITS REPORT
55 FOR ITS TAXABLE YEAR WITH RESPECT TO WHICH SUCH CREDIT IS ALLOWED, IN
56 LIEU OF SUCH CARRYOVER, MAY ELECT TO TREAT FIFTY PERCENT OF THE AMOUNT

1 OF SUCH CARRYOVER WHICH IS ATTRIBUTABLE TO THE CREDIT ALLOWED UNDER THIS
2 SUBDIVISION FOR PROPERTY WHICH IS PART OF SUCH PROJECT AS AN OVERPAYMENT
3 OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF
4 SECTION TEN HUNDRED EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, SUCH
5 OWNER SHALL BE ALLOWED SUCH REFUND FOR A MAXIMUM OF TEN TAXABLE YEARS
6 WITH RESPECT TO SUCH QUALIFIED INVESTMENT PROJECT AND EACH SIGNIFICANT
7 CAPITAL INVESTMENT PROJECT, STARTING WITH THE FIRST TAXABLE YEAR IN
8 WHICH PROPERTY COMPRISING SUCH PROJECT IS PLACED IN SERVICE. PROVIDED,
9 FURTHER, HOWEVER, THE PROVISIONS OF SUBSECTION (C) OF SECTION ONE THOU-
10 SAND EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING, NO INTEREST SHALL BE
11 PAID THEREON.

12 (D-1) ANY CARRY OVER OF A CREDIT FROM PRIOR TAXABLE YEARS WILL NOT BE
13 ALLOWED IF A GREEN ECONOMIC DEVELOPMENT ZONE RETENTION CERTIFICATE IS
14 NOT ISSUED PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE COMMIS-
15 SIONER OF ECONOMIC DEVELOPMENT TO THE GREEN ECONOMIC DEVELOPMENT ZONE
16 ENTERPRISE WHICH IS THE BASIS OF THE CREDIT.

17 (E) AT THE OPTION OF THE TAXPAYER AIR OR WATER POLLUTION CONTROL
18 FACILITIES WHICH QUALIFY FOR ELECTIVE DEDUCTIONS UNDER PARAGRAPH (G) OF
19 SUBDIVISION NINE OF SECTION TWO HUNDRED EIGHT OF THIS ARTICLE OR AN
20 ELIGIBLE BUSINESS FACILITY FOR WHICH A CREDIT IS ALLOWED UNDER SUBDIVI-
21 SION ELEVEN OF THIS SECTION, OR RESEARCH AND DEVELOPMENT FACILITIES
22 WHICH QUALIFY FOR ELECTIVE DEDUCTION UNDER SUBPARAGRAPHS TWO AND THREE
23 OF PARAGRAPH (E) OF SUBDIVISION THREE OF THIS SECTION, OR PROPERTY WHICH
24 QUALIFIES FOR THE CREDIT PROVIDED UNDER SUBDIVISION TWELVE OR EIGHTEEN
25 OF THIS SECTION MAY BE TREATED AS PROPERTY PRINCIPALLY USED BY THE
26 TAXPAYER IN THE PRODUCTION OF GOODS BY MANUFACTURING, PROCESSING, ASSEM-
27 BLING, REFINING, MINING, EXTRACTING, FARMING, AGRICULTURE, HORTICULTURE,
28 VITICULTURE OR COMMERCIAL FISHING, PROVIDED THE PROPERTY OTHERWISE QUAL-
29 IFIES UNDER PARAGRAPH (B) OF THIS SUBDIVISION, IN WHICH EVENT A
30 DEDUCTION SHALL NOT BE ALLOWED UNDER SUCH PARAGRAPH (G), A CREDIT SHALL
31 NOT BE ALLOWED UNDER SUCH SUBDIVISION ELEVEN AND A DEDUCTION SHALL NOT
32 BE ALLOWED UNDER SUCH SUBPARAGRAPH THREE OF PARAGRAPH (E) AND A CREDIT
33 SHALL NOT BE ALLOWED UNDER SUCH SUBDIVISION TWELVE OR EIGHTEEN.

34 (F) (1) WITH RESPECT TO PROPERTY WHICH IS DEPRECIABLE PURSUANT TO
35 SECTION ONE HUNDRED SIXTY-SEVEN OF THE INTERNAL REVENUE CODE BUT IS NOT
36 SUBJECT TO THE PROVISIONS OF SECTION ONE HUNDRED SIXTY-EIGHT OF SUCH
37 CODE AND WHICH IS DISPOSED OF OR CEASES TO BE IN QUALIFIED USE PRIOR TO
38 THE END OF THE TAXABLE YEAR IN WHICH THE CREDIT IS TO BE TAKEN, THE
39 AMOUNT OF THE CREDIT SHALL BE THAT PORTION OF THE CREDIT PROVIDED FOR IN
40 THIS SUBDIVISION WHICH REPRESENTS THE RATIO WHICH THE MONTHS OF QUALI-
41 FIED USE BEAR TO THE MONTHS OF USEFUL LIFE. IF PROPERTY ON WHICH CREDIT
42 HAS BEEN TAKEN IS DISPOSED OF OR CEASES TO BE IN QUALIFIED USE PRIOR TO
43 THE END OF ITS USEFUL LIFE, THE DIFFERENCE BETWEEN THE CREDIT TAKEN AND
44 THE CREDIT ALLOWED FOR ACTUAL USE MUST BE ADDED BACK IN THE YEAR OF
45 DISPOSITION. PROVIDED, HOWEVER, IF SUCH PROPERTY IS DISPOSED OF OR CEAS-
46 ES TO BE IN QUALIFIED USE AFTER IT HAS BEEN IN QUALIFIED USE FOR MORE
47 THAN TWELVE CONSECUTIVE YEARS, IT SHALL NOT BE NECESSARY TO ADD BACK THE
48 CREDIT AS PROVIDED IN THIS SUBPARAGRAPH. THE AMOUNT OF CREDIT ALLOWED
49 FOR ACTUAL USE SHALL BE DETERMINED BY MULTIPLYING THE ORIGINAL CREDIT BY
50 THE RATIO WHICH THE MONTHS OF QUALIFIED USE BEAR TO THE MONTHS OF USEFUL
51 LIFE. FOR PURPOSES OF THIS SUBPARAGRAPH, USEFUL LIFE OF PROPERTY SHALL
52 BE THE SAME AS THE TAXPAYER USES FOR DEPRECIATION PURPOSES WHEN COMPUT-
53 ING HIS FEDERAL INCOME TAX LIABILITY.

54 (2) EXCEPT WITH RESPECT TO THAT PROPERTY TO WHICH SUBPARAGRAPH FOUR OF
55 THIS PARAGRAPH APPLIES, WITH RESPECT TO THREE-YEAR PROPERTY, AS DEFINED
56 IN SUBSECTION (E) OF SECTION ONE HUNDRED SIXTY-EIGHT OF THE INTERNAL

1 REVENUE CODE, WHICH IS DISPOSED OF OR CEASES TO BE IN QUALIFIED USE
2 PRIOR TO THE END OF THE TAXABLE YEAR IN WHICH THE CREDIT IS TO BE TAKEN,
3 THE AMOUNT OF THE CREDIT SHALL BE THAT PORTION OF THE CREDIT PROVIDED
4 FOR IN THIS SUBDIVISION WHICH REPRESENTS THE RATIO WHICH THE MONTHS OF
5 QUALIFIED USE BEAR TO THIRTY-SIX. IF PROPERTY ON WHICH CREDIT HAS BEEN
6 TAKEN IS DISPOSED OF OR CEASES TO BE IN QUALIFIED USE PRIOR TO THE END
7 OF THIRTY-SIX MONTHS, THE DIFFERENCE BETWEEN THE CREDIT TAKEN AND THE
8 CREDIT ALLOWED FOR ACTUAL USE MUST BE ADDED BACK IN THE YEAR OF DISPOSI-
9 TION. THE AMOUNT OF CREDIT ALLOWED FOR ACTUAL USE SHALL BE DETERMINED BY
10 MULTIPLYING THE ORIGINAL CREDIT BY THE RATIO WHICH THE MONTHS OF QUALI-
11 FIED USE BEAR TO THIRTY-SIX.

12 (3) EXCEPT WITH RESPECT TO THAT PROPERTY TO WHICH SUBPARAGRAPH FOUR OF
13 THIS PARAGRAPH APPLIES, WITH RESPECT TO PROPERTY SUBJECT TO THE
14 PROVISIONS OF SECTION ONE HUNDRED SIXTY-EIGHT OF THE INTERNAL REVENUE
15 CODE OTHER THAN THREE-YEAR PROPERTY AS DEFINED IN SUBSECTION (E) OF SUCH
16 SECTION ONE HUNDRED SIXTY-EIGHT WHICH IS DISPOSED OF OR CEASES TO BE IN
17 QUALIFIED USE PRIOR TO THE END OF THE TAXABLE YEAR IN WHICH THE CREDIT
18 IS TO BE TAKEN, THE AMOUNT OF THE CREDIT SHALL BE THAT PORTION OF THE
19 CREDIT PROVIDED FOR IN THIS SUBDIVISION WHICH REPRESENTS THE RATIO WHICH
20 THE MONTHS OF QUALIFIED USE BEAR TO SIXTY. IF PROPERTY ON WHICH CREDIT
21 HAS BEEN TAKEN IS DISPOSED OF OR CEASES TO BE IN QUALIFIED USE PRIOR TO
22 THE END OF SIXTY MONTHS, THE DIFFERENCE BETWEEN THE CREDIT TAKEN AND THE
23 CREDIT ALLOWED FOR ACTUAL USE MUST BE ADDED BACK IN THE YEAR OF DISPOSI-
24 TION. THE AMOUNT OF CREDIT ALLOWED FOR ACTUAL USE SHALL BE DETERMINED BY
25 MULTIPLYING THE ORIGINAL CREDIT BY THE RATIO WHICH THE MONTHS OF QUALI-
26 FIED USE BEAR TO SIXTY.

27 (4) WITH RESPECT TO ANY PROPERTY TO WHICH SECTION ONE HUNDRED
28 SIXTY-EIGHT OF THE INTERNAL REVENUE CODE APPLIES, WHICH IS A BUILDING OR
29 A STRUCTURAL COMPONENT OF A BUILDING AND WHICH IS DISPOSED OF OR CEASES
30 TO BE IN QUALIFIED USE PRIOR TO THE END OF THE TAXABLE YEAR IN WHICH THE
31 CREDIT IS TO BE TAKEN, THE AMOUNT OF THE CREDIT SHALL BE THAT PORTION OF
32 THE CREDIT PROVIDED FOR IN THIS SUBDIVISION WHICH REPRESENTS THE RATIO
33 WHICH THE MONTHS OF QUALIFIED USE BEAR TO THE TOTAL NUMBER OF MONTHS
34 OVER WHICH THE TAXPAYER CHOOSES TO DEDUCT THE PROPERTY UNDER THE INTER-
35 NAL REVENUE CODE. IF PROPERTY ON WHICH CREDIT HAS BEEN TAKEN IS DISPOSED
36 OF OR CEASES TO BE IN QUALIFIED USE PRIOR TO THE END OF THE PERIOD OVER
37 WHICH THE TAXPAYER CHOOSES TO DEDUCT THE PROPERTY UNDER THE INTERNAL
38 REVENUE CODE, THE DIFFERENCE BETWEEN THE CREDIT TAKEN AND THE CREDIT
39 ALLOWED FOR ACTUAL USE MUST BE ADDED BACK IN THE YEAR OF DISPOSITION.
40 PROVIDED, HOWEVER, IF SUCH PROPERTY IS DISPOSED OF OR CEASES TO BE IN
41 QUALIFIED USE AFTER IT HAS BEEN IN QUALIFIED USE FOR MORE THAN TWELVE
42 CONSECUTIVE YEARS, IT SHALL NOT BE NECESSARY TO ADD BACK THE CREDIT AS
43 PROVIDED IN THIS SUBPARAGRAPH. THE AMOUNT OF CREDIT ALLOWED FOR ACTUAL
44 USE SHALL BE DETERMINED BY MULTIPLYING THE ORIGINAL CREDIT BY THE RATIO
45 WHICH THE MONTHS OF QUALIFIED USE BEAR TO THE TOTAL NUMBER OF MONTHS
46 OVER WHICH THE TAXPAYER CHOOSES TO DEDUCT THE PROPERTY UNDER THE INTER-
47 NAL REVENUE CODE.

48 (5) FOR PURPOSES OF THIS PARAGRAPH, DISPOSAL OR CESSATION OF QUALIFIED
49 USE SHALL NOT BE DEEMED TO HAVE OCCURRED SOLELY BY REASON OF THE TERMI-
50 NATION OR EXPIRATION OF A GREEN ECONOMIC DEVELOPMENT ZONE'S DESIGNATION
51 AS SUCH.

52 (6)(A) FOR PURPOSES OF THIS PARAGRAPH, THE DECERTIFICATION OF A BUSI-
53 NESS ENTERPRISE WITH RESPECT TO A GREEN ECONOMIC DEVELOPMENT ZONE SHALL
54 CONSTITUTE A DISPOSAL OR CESSATION OF QUALIFIED USE OF THE PROPERTY ON
55 WHICH THE CREDIT WAS TAKEN WHICH IS LOCATED IN THE ZONE TO WHICH THE
56 DECERTIFICATION APPLIES, ON THE EFFECTIVE DATE OF SUCH DECERTIFICATION.

1 (B) WHERE A BUSINESS ENTERPRISE HAS BEEN DECERTIFIED BASED ON A FIND-
2 ING PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER OF
3 ECONOMIC DEVELOPMENT, THE AMOUNT REQUIRED TO BE ADDED BACK BY REASON OF
4 THIS PARAGRAPH SHALL BE AUGMENTED BY AN AMOUNT EQUAL TO THE PRODUCT OF
5 THE AMOUNT OF CREDIT, WITH RESPECT TO PROPERTY WHICH IS DISPOSED OF OR
6 CEASES TO BE IN QUALIFIED USE, WHICH WAS DEDUCTED FROM THE TAXPAYER'S
7 TAX OTHERWISE DUE UNDER THIS ARTICLE FOR ALL PRIOR TAXABLE YEARS
8 (SUBJECT TO THE LIMIT SET FORTH IN THIS SUBPARAGRAPH) AND THE UNDERPAY-
9 MENT RATE OF INTEREST (WITHOUT REGARD TO COMPOUNDING) SET BY THE COMMIS-
10 SIONER OF TAXATION AND FINANCE PURSUANT TO SUBSECTION (E) OF SECTION TEN
11 HUNDRED NINETY-SIX OF THIS CHAPTER, IN EFFECT ON THE LAST DAY OF THE
12 TAXABLE YEAR. THE LIMIT SHALL BE (I) THE AMOUNT OF CREDIT, WITH RESPECT
13 TO THE PROPERTY WHICH IS DISPOSED OF OR CEASES TO BE IN QUALIFIED USE,
14 WHICH WAS DEDUCTED FROM THE TAXPAYER'S TAX OTHERWISE DUE UNDER THIS
15 ARTICLE FOR ALL PRIOR TAXABLE YEARS, REDUCED (BUT NOT BELOW ZERO) BY
16 (II) THE CREDIT ALLOWED FOR ACTUAL USE. FOR PURPOSES OF THIS SUBPARA-
17 GRAPH, THE ATTRIBUTION TO SPECIFIC PROPERTY OF CREDIT AMOUNTS DEDUCTED
18 FROM TAX SHALL BE ESTABLISHED IN ACCORDANCE WITH THE DATE OF PLACEMENT
19 IN SERVICE OF SUCH PROPERTY IN THE GREEN ECONOMIC DEVELOPMENT ZONE.

20 (C) IN NO EVENT SHALL THE AMOUNT OF THE CREDIT ALLOWED PURSUANT TO
21 THIS SUBDIVISION BE RENDERED, SOLELY BY REASON OF CLAUSE (A) OF THIS
22 SUBPARAGRAPH, LESS THAN THE AMOUNT OF THE CREDIT TO WHICH THE TAXPAYER
23 WOULD OTHERWISE BE ENTITLED UNDER SUBDIVISION TWELVE OF THIS SECTION.

24 (D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBDIVISION, IN THE
25 CASE OF A BUSINESS ENTERPRISE WHICH HAS BEEN DECERTIFIED, ANY AMOUNT OF
26 CREDIT ALLOWED WITH RESPECT TO THE PROPERTY OF SUCH BUSINESS ENTERPRISE
27 LOCATED IN THE ZONE TO WHICH THE DECERTIFICATION APPLIES WHICH IS
28 CARRIED OVER PURSUANT TO PARAGRAPH (D) OF THIS SUBDIVISION SHALL NOT BE
29 CARRIED OVER BEYOND THE SEVENTH TAXABLE YEAR NEXT FOLLOWING THE TAXABLE
30 YEAR WITH RESPECT TO WHICH THE CREDIT PROVIDED FOR IN THIS SUBDIVISION
31 WAS ALLOWED.

32 (7) FOR PURPOSES OF THIS PARAGRAPH, WHERE A CREDIT IS ALLOWED WITH
33 RESPECT TO AN AIR POLLUTION CONTROL FACILITY ON THE BASIS OF A CERTIF-
34 ICATE OF COMPLIANCE ISSUED PURSUANT TO THE ENVIRONMENTAL CONSERVATION
35 LAW AND THE CERTIFICATE IS REVOKED PURSUANT TO SUBDIVISION THREE OF
36 SECTION 19-0309 OF THE ENVIRONMENTAL CONSERVATION LAW, SUCH REVOCATION
37 SHALL CONSTITUTE A DISPOSAL OR CESSATION OF QUALIFIED USE, EXCEPT WITH
38 RESPECT TO PROPERTY CONTAINED IN OR COMPRISING SUCH FACILITY WHICH IS
39 DESCRIBED IN CLAUSE (A), (B) OR (C) OF SUBPARAGRAPH (V) OF PARAGRAPH (B)
40 OF THIS SUBDIVISION OTHER THAN AS PART OF OR COMPRISING AN AIR POLLUTION
41 CONTROL FACILITY. ALSO FOR PURPOSES OF THIS PARAGRAPH, THE USE OF AN AIR
42 POLLUTION CONTROL FACILITY OR AN INDUSTRIAL WASTE TREATMENT FACILITY FOR
43 THE PRIMARY PURPOSE OF SALVAGING MATERIALS WHICH ARE USABLE IN THE MANU-
44 FACTURING PROCESS OR ARE MARKETABLE SHALL CONSTITUTE A CESSATION OF
45 QUALIFIED USE, EXCEPT WITH RESPECT TO PROPERTY CONTAINED IN OR COMPRIS-
46 ING SUCH FACILITY WHICH IS DESCRIBED IN CLAUSE (A) OR (C) OF SUBPARA-
47 GRAPH (V) OF PARAGRAPH (B) OF THIS SUBDIVISION.

48 (8) EXCEPT AS PROVIDED IN THIS SUBPARAGRAPH, THIS PARAGRAPH SHALL NOT
49 APPLY TO A CREDIT ALLOWED BY THIS SUBDIVISION TO A TAXPAYER THAT IS A
50 PARTNER IN A PARTNERSHIP IN THE CASE OF MANUFACTURING PROPERTY;
51 PROVIDED, AT THE TIME SUCH PROPERTY WAS PLACED IN SERVICE BY SUCH PART-
52 NERSHIP IN A GREEN ECONOMIC DEVELOPMENT ZONE THE BASIS FOR FEDERAL
53 INCOME TAX PURPOSES OF SUCH PROPERTY (OR A PROJECT THAT INCLUDES SUCH
54 PROPERTY) EQUALED OR EXCEEDED THREE HUNDRED MILLION DOLLARS AND SUCH
55 PARTNER OWNED ITS PARTNERSHIP INTEREST FOR AT LEAST THREE YEARS FROM THE
56 DATE SUCH PROPERTY WAS PLACED IN SERVICE. IF SUCH PROPERTY CEASES TO BE

1 IN QUALIFIED USE AFTER IT IS PLACED IN SERVICE, THIS PARAGRAPH SHALL
2 APPLY TO SUCH PARTNER IN THE YEAR SUCH PROPERTY CEASES TO BE IN QUALIFY-
3 ING USE.

4 (9) IF A TAXPAYER, WHICH IS APPROVED BY THE COMMISSIONER OF ECONOMIC
5 DEVELOPMENT AS THE OWNER OF A QUALIFIED INVESTMENT PROJECT OR A SIGNIF-
6 ICANT CAPITAL INVESTMENT PROJECT, FAILS TO (A) CREATE AT LEAST THE MINI-
7 MUM NUMBER OF JOBS AT SUCH PROJECT AS REQUIRED BY THE RULES AND REGU-
8 LATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT OR (B)
9 PLACE IN SERVICE PROPERTY COMPRISING SUCH QUALIFIED INVESTMENT PROJECT
10 OR SIGNIFICANT CAPITAL INVESTMENT PROJECT WITH A BASIS FOR FEDERAL
11 INCOME TAX PURPOSES EQUALING OR EXCEEDING THE APPLICABLE MINIMUM
12 REQUIRED BASIS AS PROVIDED IN SUCH RULES AND REGULATIONS PROMULGATED BY
13 THE COMMISSIONER OF ECONOMIC DEVELOPMENT, WHICHEVER IS RELEVANT, BY THE
14 LAST DAY OF THE FIFTH TAXABLE YEAR FOLLOWING THE TAXABLE YEAR IN WHICH A
15 CREDIT IS FIRST ALLOWED UNDER THIS SUBDIVISION FOR THE PROPERTY WHICH
16 COMPRISES SUCH QUALIFIED INVESTMENT PROJECT OR SUCH SIGNIFICANT CAPITAL
17 INVESTMENT PROJECT, THE TOTAL AMOUNT OF THE CREDIT ALLOWED UNDER THIS
18 SUBDIVISION FOR ALL TAXABLE YEARS WITH RESPECT TO THE PROPERTY WHICH
19 COMPRISES SUCH PROJECT WHICH HAS BEEN REFUNDED TO SUCH TAXPAYER SHALL BE
20 ADDED BACK IN SUCH TAXABLE YEAR.

21 12-I. GREEN ECONOMIC DEVELOPMENT ZONE EMPLOYMENT INCENTIVE CREDIT
22 (GED-EIC). (A) WHERE A TAXPAYER IS ALLOWED A CREDIT UNDER SUBDIVISION
23 TWELVE-H OF THIS SECTION, THE TAXPAYER SHALL BE ALLOWED A CREDIT FOR
24 EACH OF THE THREE YEARS NEXT SUCCEEDING THE TAXABLE YEAR FOR WHICH THE
25 CREDIT UNDER SUBDIVISION TWELVE-H OF THIS SECTION IS ALLOWED, WITH
26 RESPECT TO SUCH PROPERTY, WHETHER OR NOT DEDUCTIBLE IN SUCH TAXABLE YEAR
27 OR IN SUBSEQUENT TAXABLE YEARS PURSUANT TO PARAGRAPH (D) OF SUCH SUBDI-
28 VISION TWELVE-H, OF THIRTY PERCENT OF THE CREDIT ALLOWABLE UNDER SUCH
29 SUBDIVISION TWELVE-H; PROVIDED, HOWEVER, THAT THE CREDIT ALLOWABLE UNDER
30 THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL ONLY BE ALLOWED IF THE AVER-
31 AGE NUMBER OF EMPLOYEES EMPLOYED BY THE TAXPAYER IN THE GREEN ECONOMIC
32 DEVELOPMENT ZONE, DESIGNATED PURSUANT TO ARTICLE EIGHTEEN-D OF THE
33 GENERAL MUNICIPAL LAW, IN WHICH SUCH PROPERTY IS LOCATED DURING SUCH
34 TAXABLE YEAR IS AT LEAST ONE HUNDRED ONE PERCENT OF THE AVERAGE NUMBER
35 OF EMPLOYEES EMPLOYED BY THE TAXPAYER IN SUCH GREEN ECONOMIC DEVELOPMENT
36 ZONE OR, WHERE APPLICABLE, IN THE GEOGRAPHIC AREA SUBSEQUENTLY CONSTI-
37 TUTING SUCH ZONE, DURING THE TAXABLE YEAR IMMEDIATELY PRECEDING THE
38 TAXABLE YEAR FOR WHICH THE CREDIT UNDER SUBDIVISION TWELVE-H OF THIS
39 SECTION IS ALLOWED AND PROVIDED, FURTHER, THAT IF THE TAXPAYER WAS NOT
40 SUBJECT TO TAX AND DID NOT HAVE A TAXABLE YEAR IMMEDIATELY PRECEDING THE
41 TAXABLE YEAR FOR WHICH THE CREDIT UNDER SUBDIVISION TWELVE-H OF THIS
42 SECTION IS ALLOWED, THE CREDIT ALLOWABLE UNDER THIS SUBDIVISION FOR ANY
43 TAXABLE YEAR SHALL BE ALLOWED IF THE AVERAGE NUMBER OF EMPLOYEES
44 EMPLOYED IN SUCH GREEN ECONOMIC DEVELOPMENT ZONE IN SUCH TAXABLE YEAR IS
45 AT LEAST ONE HUNDRED ONE PERCENT OF THE AVERAGE NUMBER OF SUCH EMPLOYEES
46 DURING THE TAXABLE YEAR IN WHICH THE CREDIT UNDER SUCH SUBDIVISION
47 TWELVE-H IS ALLOWED.

48 (B) THE AVERAGE NUMBER OF EMPLOYEES EMPLOYED IN A GREEN ECONOMIC
49 DEVELOPMENT ZONE, OR, WHERE APPLICABLE, IN THE GEOGRAPHIC AREA SUBSE-
50 QUENTLY CONSTITUTING SUCH ZONE, IN A TAXABLE YEAR SHALL BE COMPUTED BY
51 ASCERTAINING THE NUMBER OF SUCH EMPLOYEES WITHIN SUCH ZONE, OR, WHERE
52 APPLICABLE, IN THE GEOGRAPHIC AREA SUBSEQUENTLY CONSTITUTING SUCH ZONE,
53 EXCEPT GENERAL EXECUTIVE OFFICERS, EMPLOYED BY THE TAXPAYER ON THE THIR-
54 TY-FIRST DAY OF MARCH, THE THIRTIETH DAY OF JUNE, THE THIRTIETH DAY OF
55 SEPTEMBER AND THE THIRTY-FIRST DAY OF DECEMBER IN THE TAXABLE YEAR, BY
56 ADDING TOGETHER THE NUMBER OF EMPLOYEES ASCERTAINED ON EACH OF SUCH

1 DATES AND DIVIDING THE SUM SO OBTAINED BY THE NUMBER OF SUCH ABOVE-MEN-
2 TIONED DATES OCCURRING WITHIN THE TAXABLE YEAR. FOR THE PURPOSES OF THIS
3 SUBDIVISION, THE TERM "EMPLOYEES" AND THE TERM "GENERAL EXECUTIVE OFFI-
4 CERS" SHALL MEAN THE SAME AS IN SUBPARAGRAPH THREE OF PARAGRAPH (A) OF
5 SUBDIVISION THREE OF THIS SECTION.

6 (C) IN NO EVENT SHALL THE CREDIT HEREIN PROVIDED FOR BE ALLOWED IN AN
7 AMOUNT WHICH WILL REDUCE THE TAX PAYABLE TO LESS THAN THE AMOUNT
8 PRESCRIBED IN PARAGRAPH (D) OF SUBDIVISION ONE OF THIS SECTION.
9 PROVIDED, HOWEVER, THAT IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS
10 SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY
11 AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER
12 TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S
13 TAX FOR SUCH YEAR OR YEARS. IN LIEU OF SUCH CARRYOVER, ANY SUCH TAXPAY-
14 ER, WHICH IS APPROVED AS THE OWNER OF A QUALIFIED INVESTMENT PROJECT OR
15 A SIGNIFICANT CAPITAL INVESTMENT PROJECT PURSUANT TO RULES AND REGU-
16 LATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT, MAY
17 ELECT, ON ITS REPORT FOR ITS TAXABLE YEAR WITH RESPECT TO WHICH SUCH
18 CREDIT IS ALLOWED, TO TREAT FIFTY PERCENT OF THE AMOUNT OF SUCH CARRY-
19 OVER AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE
20 WITH THE PROVISIONS OF SECTION TEN HUNDRED EIGHTY-SIX OF THIS CHAPTER.
21 PROVIDED, HOWEVER, IN THE CASE OF SUCH OWNER OF A QUALIFIED INVESTMENT
22 PROJECT OR A SIGNIFICANT CAPITAL INVESTMENT PROJECT, ONLY FIFTY PERCENT
23 OF THE AMOUNT OF SUCH CARRYOVER WHICH IS ATTRIBUTABLE TO THE CREDIT
24 ALLOWED UNDER THIS SUBDIVISION WITH RESPECT TO PROPERTY WHICH IS PART OF
25 SUCH PROJECT SHALL BE ALLOWED TO BE CREDITED OR REFUNDED AND SUCH OWNER
26 SHALL BE ALLOWED SUCH CREDIT OR REFUND ONLY FOR THOSE TAXABLE YEARS IN
27 WHICH SUCH OWNER WOULD BE ALLOWED A CREDIT OR REFUND OF THE GREEN
28 ECONOMIC DEVELOPMENT ZONE INVESTMENT TAX CREDIT PURSUANT TO PARAGRAPH
29 (D) OF SUBDIVISION TWELVE-H OF THIS SECTION. PROVIDED, FURTHER, HOWEVER,
30 THE PROVISIONS OF SUBSECTION (C) OF SECTION TEN HUNDRED EIGHTY-EIGHT OF
31 THIS CHAPTER NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

32 (C-1) ANY CARRY OVER OF A CREDIT FROM PRIOR TAXABLE YEARS WILL NOT BE
33 ALLOWED IF AN EMPIRE ZONE RETENTION CERTIFICATE IS NOT ISSUED PURSUANT
34 TO RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC
35 DEVELOPMENT TO THE GREEN ECONOMIC DEVELOPMENT ZONE ENTERPRISE WHICH IS
36 THE BASIS OF THE CREDIT.

37 S 19. Section 210 of the tax law is amended by adding a new subdivi-
38 sion 44 to read as follows:

39 44. GREEN ECONOMIC DEVELOPMENT ZONE WAGE TAX CREDIT. (A) A TAXPAYER
40 SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED,
41 AGAINST THE TAX IMPOSED BY THIS ARTICLE WHERE THE TAXPAYER HAS BEEN
42 CERTIFIED PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW.
43 THE AMOUNT OF SUCH CREDIT SHALL BE AS PRESCRIBED BY PARAGRAPH (D) OF
44 THIS SUBDIVISION.

45 (B) FOR THE PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL
46 HAVE THE FOLLOWING MEANINGS:

47 (1) "GREEN ECONOMIC DEVELOPMENT ZONE WAGES" MEANS WAGES PAID BY THE
48 TAXPAYER FOR FULL-TIME EMPLOYMENT, OTHER THAN TO GENERAL EXECUTIVE OFFI-
49 CERS, DURING THE TAXABLE YEAR IN AN AREA DESIGNATED OR PREVIOUSLY DESIG-
50 NATED AS A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA
51 PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW, WHERE SUCH
52 EMPLOYMENT IS IN A JOB CREATED IN THE AREA (I) DURING THE PERIOD OF ITS
53 DESIGNATION AS A GREEN ECONOMIC DEVELOPMENT ZONE, (II) WITHIN FOUR YEARS
54 OF THE EXPIRATION OF SUCH DESIGNATION, OR (III) DURING THE TEN YEAR
55 PERIOD IMMEDIATELY FOLLOWING THE DATE OF DESIGNATION AS A ZONE EQUIV-
56 ALENT AREA, PROVIDED, HOWEVER, THAT IF THE TAXPAYER'S CERTIFICATION

1 UNDER ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW IS REVOKED WITH
2 RESPECT TO A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA,
3 ANY WAGES PAID BY THE TAXPAYER, ON OR AFTER THE EFFECTIVE DATE OF SUCH
4 DECERTIFICATION, FOR EMPLOYMENT IN SUCH ZONE SHALL NOT CONSTITUTE EMPIRE
5 ZONE WAGES.

6 (2) "TARGETED EMPLOYEE" MEANS A NEW YORK RESIDENT WHO RECEIVES GREEN
7 ECONOMIC DEVELOPMENT ZONE WAGES AND WHO IS (A) AN ELIGIBLE INDIVIDUAL
8 UNDER THE PROVISIONS OF THE TARGETED JOBS TAX CREDIT (SECTION FIFTY-ONE
9 OF THE INTERNAL REVENUE CODE), (B) ELIGIBLE FOR BENEFITS UNDER THE
10 PROVISIONS OF THE WORKFORCE INVESTMENT ACT AS A DISLOCATED WORKER OR
11 LOW-INCOME INDIVIDUAL (P.L. 105-220, AS AMENDED), (C) A RECIPIENT OF
12 PUBLIC ASSISTANCE BENEFITS, (D) AN INDIVIDUAL WHOSE INCOME IS BELOW THE
13 MOST RECENTLY ESTABLISHED POVERTY RATE PROMULGATED BY THE UNITED STATES
14 DEPARTMENT OF COMMERCE, OR A MEMBER OF A FAMILY WHOSE FAMILY INCOME IS
15 BELOW THE MOST RECENTLY ESTABLISHED POVERTY RATE PROMULGATED BY THE
16 APPROPRIATE FEDERAL AGENCY OR (E) AN HONORABLY DISCHARGED MEMBER OF ANY
17 BRANCH OF THE ARMED FORCES OF THE UNITED STATES.

18 AN INDIVIDUAL WHO SATISFIES THE CRITERIA SET FORTH IN CLAUSE (A), (B)
19 OR (D) OF THIS SUBPARAGRAPH AT THE TIME OF INITIAL EMPLOYMENT IN THE JOB
20 WITH RESPECT TO WHICH THE CREDIT IS CLAIMED, OR WHO SATISFIES THE CRITE-
21 RION SET FORTH IN CLAUSE (C) OF THIS SUBPARAGRAPH AT SUCH TIME OR AT ANY
22 TIME WITHIN THE PREVIOUS TWO YEARS, SHALL BE A TARGETED EMPLOYEE SO LONG
23 AS SUCH INDIVIDUAL CONTINUES TO RECEIVE GREEN ECONOMIC DEVELOPMENT ZONE
24 WAGES.

25 (3) "AVERAGE NUMBER OF INDIVIDUALS, EXCLUDING GENERAL EXECUTIVE OFFI-
26 CERS, EMPLOYED FULL-TIME" SHALL BE COMPUTED BY ASCERTAINING THE NUMBER
27 OF SUCH INDIVIDUALS EMPLOYED BY THE TAXPAYER ON THE THIRTY-FIRST DAY OF
28 MARCH, THE THIRTIETH DAY OF JUNE, THE THIRTIETH DAY OF SEPTEMBER AND THE
29 THIRTY-FIRST DAY OF DECEMBER DURING EACH TAXABLE YEAR OR OTHER APPLICA-
30 BLE PERIOD, BY ADDING TOGETHER THE NUMBER OF SUCH INDIVIDUALS ASCER-
31 TAINED ON EACH OF SUCH DATES AND DIVIDING THE SUM SO OBTAINED BY THE
32 NUMBER OF SUCH DATES OCCURRING WITHIN SUCH TAXABLE YEAR OR OTHER APPLI-
33 CABLE PERIOD.

34 (C) THE CREDIT PROVIDED FOR HEREIN SHALL BE ALLOWED ONLY WHERE THE
35 AVERAGE NUMBER OF INDIVIDUALS, EXCLUDING GENERAL EXECUTIVE OFFICERS,
36 EMPLOYED FULL-TIME BY THE TAXPAYER IN (A) THE STATE AND (B) THE GREEN
37 ECONOMIC DEVELOPMENT ZONE OR AREA PREVIOUSLY CONSTITUTING SUCH ZONE OR
38 ZONE EQUIVALENT AREA, DURING THE TAXABLE YEAR EXCEEDS THE AVERAGE NUMBER
39 OF SUCH INDIVIDUALS EMPLOYED FULL-TIME BY THE TAXPAYER IN (A) THE STATE
40 AND (B) SUCH ZONE OR AREA SUBSEQUENTLY OR PREVIOUSLY CONSTITUTING SUCH
41 ZONE OR SUCH ZONE EQUIVALENT AREA, RESPECTIVELY, DURING THE FOUR YEARS
42 IMMEDIATELY PRECEDING THE FIRST TAXABLE YEAR IN WHICH THE CREDIT IS
43 CLAIMED WITH RESPECT TO SUCH ZONE OR AREA. WHERE THE TAXPAYER PROVIDED
44 FULL-TIME EMPLOYMENT WITHIN (A) THE STATE OR (B) SUCH ZONE OR AREA
45 DURING ONLY A PORTION OF SUCH FOUR-YEAR PERIOD, THEN FOR PURPOSES OF
46 THIS PARAGRAPH THE TERM "FOUR YEARS" SHALL BE DEEMED TO REFER INSTEAD TO
47 SUCH PORTION, IF ANY.

48 THE CREDIT SHALL BE ALLOWED ONLY WITH RESPECT TO THE FIRST TAXABLE
49 YEAR DURING WHICH PAYMENTS OF GREEN ECONOMIC DEVELOPMENT ZONE WAGES ARE
50 MADE AND THE CONDITIONS SET FORTH IN THIS PARAGRAPH ARE SATISFIED, AND
51 WITH RESPECT TO EACH OF THE FOUR TAXABLE YEARS NEXT FOLLOWING (BUT ONLY,
52 WITH RESPECT TO EACH OF SUCH YEARS, IF SUCH CONDITIONS ARE SATISFIED),
53 IN ACCORDANCE WITH PARAGRAPH (D) OF THIS SUBDIVISION. SUBSEQUENT CERTIF-
54 ICATIONS OF THE TAXPAYER PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL
55 MUNICIPAL LAW, AT THE SAME OR A DIFFERENT LOCATION IN THE SAME GREEN
56 ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA OR AT A LOCATION IN A

1 DIFFERENT GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA, SHALL
2 NOT EXTEND THE FIVE TAXABLE YEAR TIME LIMITATION ON THE ALLOWANCE OF THE
3 CREDIT SET FORTH IN THE PRECEDING SENTENCE. PROVIDED, FURTHER, HOWEVER,
4 THAT NO CREDIT SHALL BE ALLOWED WITH RESPECT TO ANY TAXABLE YEAR BEGIN-
5 NING MORE THAN FOUR YEARS FOLLOWING THE TAXABLE YEAR IN WHICH DESIG-
6 NATION AS A GREEN ECONOMIC DEVELOPMENT ZONE EXPIRED OR MORE THAN TEN
7 YEARS AFTER THE DESIGNATION AS A ZONE EQUIVALENT AREA. IN LIEU OF THE
8 FIVE YEAR TIME PERIOD DESCRIBED IN THE PRECEDING SENTENCES OF THIS PARA-
9 GRAPH FOR THE ALLOWANCE OF THIS CREDIT, WITH RESPECT TO A BUSINESS
10 ENTERPRISE WHICH QUALIFIES AS A NEW BUSINESS PURSUANT TO PARAGRAPH FIVE
11 OF SUBDIVISION (J) OF SECTION FOURTEEN OF THIS CHAPTER, THE CREDIT SHALL
12 BE ALLOWED WITH RESPECT TO THE FIRST TAXABLE YEAR OF THE BUSINESS ENTER-
13 PRISE'S BUSINESS TAX BENEFIT PERIOD, AS DETERMINED PURSUANT TO PARAGRAPH
14 ONE-A OF SUBDIVISION (A) OF SECTION FOURTEEN OF THIS CHAPTER, DURING
15 WHICH PAYMENTS OF GREEN ECONOMIC DEVELOPMENT ZONE WAGES ARE MADE AND
16 WITH RESPECT TO EACH OF THE FOUR TAXABLE YEARS NEXT FOLLOWING, IN
17 ACCORDANCE WITH PARAGRAPH (D) OF THIS SUBDIVISION.

18 (D) THE AMOUNT OF THE CREDIT SHALL EQUAL THE SUM OF (1) THE PRODUCT OF
19 THREE THOUSAND DOLLARS AND THE AVERAGE NUMBER OF INDIVIDUALS (EXCLUDING
20 GENERAL EXECUTIVE OFFICERS) EMPLOYED FULL-TIME BY THE TAXPAYER, COMPUTED
21 PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH THREE OF PARAGRAPH (B) OF
22 THIS SUBDIVISION, WHO

23 (A) RECEIVED GREEN ECONOMIC DEVELOPMENT ZONE WAGES FOR MORE THAN HALF
24 OF THE TAXABLE YEAR,

25 (B) RECEIVED, WITH RESPECT TO MORE THAN HALF OF THE PERIOD OF EMPLOY-
26 MENT BY THE TAXPAYER DURING THE TAXABLE YEAR, AN HOURLY WAGE WHICH WAS
27 AT LEAST ONE HUNDRED THIRTY-FIVE PERCENT OF THE MINIMUM WAGE SPECIFIED
28 IN SECTION SIX HUNDRED FIFTY-TWO OF THE LABOR LAW, AND

29 (C) ARE TARGETED EMPLOYEES; AND

30 (2) THE PRODUCT OF FIFTEEN HUNDRED DOLLARS AND THE AVERAGE NUMBER OF
31 INDIVIDUALS (EXCLUDING GENERAL EXECUTIVE OFFICERS AND INDIVIDUALS
32 DESCRIBED IN SUBPARAGRAPH ONE OF THIS PARAGRAPH) EMPLOYED FULL-TIME BY
33 THE TAXPAYER, COMPUTED PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH THREE
34 OF PARAGRAPH (B) OF THIS SUBDIVISION, WHO RECEIVED GREEN ECONOMIC DEVEL-
35 OPMENT ZONE WAGES FOR MORE THAN HALF OF THE TAXABLE YEAR.

36 PROVIDED, FURTHER, HOWEVER, THAT THE CREDIT PROVIDED FOR HEREIN WITH
37 RESPECT TO THE TAXABLE YEAR, AND CARRYOVERS OF SUCH CREDIT TO THE TAXA-
38 BLE YEAR, DEDUCTED FROM THE TAX OTHERWISE DUE, MAY NOT, IN THE AGGRE-
39 GATE, EXCEED FIFTY PERCENT OF THE TAX IMPOSED UNDER SECTION TWO HUNDRED
40 NINE OF THIS ARTICLE COMPUTED WITHOUT REGARD TO ANY CREDIT PROVIDED FOR
41 BY THIS ARTICLE.

42 (3) FOR PURPOSES OF CALCULATING THE AMOUNT OF THE CREDIT, INDIVIDUALS
43 EMPLOYED WITHIN A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT
44 AREA WITHIN THE IMMEDIATELY PRECEDING SIXTY MONTHS BY A RELATED PERSON,
45 AS SUCH TERM IS DEFINED IN SUBPARAGRAPH (C) OF PARAGRAPH THREE OF
46 SUBSECTION (B) OF SECTION FOUR HUNDRED SIXTY-FIVE OF THE INTERNAL REVEN-
47 UE CODE, SHALL NOT BE INCLUDED IN THE AVERAGE NUMBER OF INDIVIDUALS
48 DESCRIBED IN SUBPARAGRAPH ONE OR SUBPARAGRAPH TWO OF THIS PARAGRAPH,
49 UNLESS SUCH RELATED PERSON WAS NEVER ALLOWED A CREDIT UNDER THIS SUBDI-
50 VISION WITH RESPECT TO SUCH EMPLOYEES. FOR THE PURPOSES OF THIS SUBPARA-
51 GRAPH, A "RELATED PERSON" SHALL INCLUDE AN ENTITY WHICH WOULD HAVE QUAL-
52 IFIED AS A "RELATED PERSON" TO THE TAXPAYER IF IT HAD NOT BEEN
53 DISSOLVED, LIQUIDATED, MERGED WITH ANOTHER ENTITY OR OTHERWISE CEASED TO
54 EXIST OR OPERATE.

55 (4) IF A TAXPAYER IS CERTIFIED IN A GREEN ECONOMIC DEVELOPMENT ZONE
56 DESIGNATED UNDER SECTION NINE HUNDRED SEVENTY-FOUR-C OF THE GENERAL

MUNICIPAL LAW, THE DOLLAR AMOUNTS SPECIFIED UNDER SUBPARAGRAPH ONE OR TWO OF THIS PARAGRAPH SHALL BE INCREASED BY FIVE HUNDRED DOLLARS FOR EACH QUALIFYING INDIVIDUAL UNDER SUCH SUBPARAGRAPHS WHO RECEIVED, DURING THE TAXABLE YEAR, WAGES IN EXCESS OF FORTY THOUSAND DOLLARS.

(5) THE REQUIREMENT IN THIS PARAGRAPH THAT AN EMPLOYEE MUST RECEIVE GREEN ECONOMIC DEVELOPMENT ZONE WAGES FOR MORE THAN HALF THE TAXABLE YEAR SHALL NOT APPLY IN THE FIRST TAXABLE YEAR OF A TAXPAYER SATISFYING THE CRITERIA SET FORTH IN THIS SUBPARAGRAPH. IN SUCH A CASE, THE CREDIT ALLOWED UNDER THIS SUBDIVISION SHALL BE COMPUTED BY UTILIZING THE NUMBER OF INDIVIDUALS (EXCLUDING GENERAL EXECUTIVE OFFICERS) EMPLOYED FULL TIME BY THE TAXPAYER ON THE LAST DAY OF ITS FIRST TAXABLE YEAR. A TAXPAYER SHALL SATISFY THE FOLLOWING CRITERIA: (A) SUCH TAXPAYER ACQUIRED REAL OR TANGIBLE PERSONAL PROPERTY DURING ITS FIRST TAXABLE YEAR FROM AN ENTITY WHICH IS NOT A RELATED PERSON (AS SUCH TERM IS DEFINED IN SUBDIVISION (G) OF SECTION FOURTEEN OF THIS CHAPTER); (B) THE FIRST TAXABLE YEAR OF SUCH TAXPAYER SHALL BE A SHORT TAXABLE YEAR OF NOT MORE THAN SEVEN MONTHS IN DURATION; AND (C) THE NUMBER OF INDIVIDUALS EMPLOYED FULL-TIME ON THE LAST DAY OF SUCH FIRST TAXABLE YEAR SHALL BE AT LEAST ONE HUNDRED NINETY AND SUBSTANTIALLY ALL OF SUCH INDIVIDUALS MUST HAVE BEEN PREVIOUSLY EMPLOYED BY THE ENTITY FROM WHOM SUCH TAXPAYER PURCHASED ITS ASSETS.

(E) THE CREDIT AND CARRYOVERS OF SUCH CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT, IN THE AGGREGATE, REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT, OR BOTH, ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, OR IF ANY PART OF THE CREDIT OR CARRYOVERS OF SUCH CREDIT MAY NOT BE DEDUCTED FROM THE TAX OTHERWISE DUE BY REASON OF THE FINAL SENTENCE OF PARAGRAPH (D) OF THIS SUBDIVISION, ANY AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAX FOR SUCH YEAR OR YEARS. IN LIEU OF SUCH CARRYOVER, ANY SUCH TAXPAYER WHICH QUALIFIES AS A NEW BUSINESS UNDER PARAGRAPH (J) OF SUBDIVISION TWELVE OF THIS SECTION OR A TAXPAYER WHICH IS APPROVED AS THE OWNER OF A QUALIFIED INVESTMENT PROJECT OR A SIGNIFICANT CAPITAL INVESTMENT PROJECT PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT MAY ELECT, ON ITS REPORT FOR ITS TAXABLE YEAR WITH RESPECT TO WHICH SUCH CREDIT IS ALLOWED, TO TREAT FIFTY PERCENT OF THE AMOUNT OF SUCH CARRYOVER AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION TEN HUNDRED EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, IN THE CASE OF SUCH OWNER OF A QUALIFIED INVESTMENT PROJECT OR SIGNIFICANT CAPITAL INVESTMENT PROJECT, ONLY FIFTY PERCENT OF THE AMOUNT OF SUCH CARRYOVER WHICH IS ATTRIBUTABLE TO THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR INDIVIDUALS EMPLOYED AT SUCH PROJECT SHALL BE ALLOWED TO BE CREDITED OR REFUNDED. PROVIDED, FURTHER, HOWEVER, THE PROVISIONS OF SUBSECTION (C) OF SECTION TEN HUNDRED EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

(E-1) ANY CARRY OVER OF A CREDIT FROM PRIOR TAXABLE YEARS WILL NOT BE ALLOWED IF A GREEN ECONOMIC DEVELOPMENT ZONE RETENTION CERTIFICATE IS NOT ISSUED PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT TO THE GREEN ECONOMIC DEVELOPMENT ZONE ENTERPRISE WHICH IS THE BASIS OF THE CREDIT.

(F) FOR THE INTERACTION OF THIS SUBDIVISION AND SUBDIVISION TWELVE-D OF THIS SECTION (EMPLOYMENT INCENTIVE CREDIT), SEE PARAGRAPH (B) OF SUCH SUBDIVISION TWELVE-D.

S 20. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xxxiii) to read as follows:

(XXXIII) GREEN ECONOMIC DEVELOPMENT ZONE	AMOUNT OF CREDIT UNDER
WAGE TAX CREDIT UNDER SUBSECTION	SUBDIVISION FORTY-FOUR OF
(TT)	SECTION TWO HUNDRED TEN

S 21. Section 606 of the tax law is amended by adding a new subsection (tt) to read as follows:

(TT) GREEN ECONOMIC DEVELOPMENT ZONE WAGE TAX CREDIT. (1) A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE, WHERE THE TAXPAYER HAS BEEN CERTIFIED PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW. THE AMOUNT OF SUCH CREDIT SHALL BE AS PRESCRIBED IN PARAGRAPH FOUR OF THIS SUBSECTION.

(2) FOR THE PURPOSES OF THIS SUBSECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS: (A) "GREEN ECONOMIC DEVELOPMENT ZONE WAGES" MEANS WAGES PAID BY THE TAXPAYER FOR FULL-TIME EMPLOYMENT DURING THE TAXABLE YEAR, IN AN AREA DESIGNATED OR PREVIOUSLY DESIGNATED AS A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW, WHERE SUCH EMPLOYMENT IS IN A JOB CREATED IN THE AREA (I) DURING THE PERIOD OF ITS DESIGNATION AS A GREEN ECONOMIC DEVELOPMENT ZONE, (II) WITHIN FOUR YEARS OF THE EXPIRATION OF SUCH DESIGNATION, OR (III) DURING THE TEN YEAR PERIOD IMMEDIATELY FOLLOWING THE DATE OF DESIGNATION AS A ZONE EQUIVALENT AREA, PROVIDED, HOWEVER, THAT IF THE TAXPAYER'S CERTIFICATION UNDER ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW IS REVOKED WITH RESPECT TO A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA, ANY WAGES PAID BY THE TAXPAYER, ON OR AFTER THE EFFECTIVE DATE OF SUCH DECERTIFICATION, FOR EMPLOYMENT IN SUCH ZONE SHALL NOT CONSTITUTE GREEN ECONOMIC DEVELOPMENT ZONE WAGES.

(B) "TARGETED EMPLOYEE" MEANS A NEW YORK RESIDENT WHO RECEIVES GREEN ECONOMIC DEVELOPMENT ZONE WAGES AND WHO IS (I) AN ELIGIBLE INDIVIDUAL UNDER THE PROVISIONS OF THE TARGETED JOBS TAX CREDIT (SECTION FIFTY-ONE OF THE INTERNAL REVENUE CODE), (II) ELIGIBLE FOR BENEFITS UNDER THE PROVISIONS OF THE WORKFORCE INVESTMENT ACT AS A DISLOCATED WORKER OR LOW-INCOME INDIVIDUAL (P.L. 105-220, AS AMENDED), (III) A RECIPIENT OF PUBLIC ASSISTANCE BENEFITS, (IV) AN INDIVIDUAL WHOSE INCOME IS BELOW THE MOST RECENTLY ESTABLISHED POVERTY RATE PROMULGATED BY THE UNITED STATES DEPARTMENT OF COMMERCE, OR A MEMBER OF A FAMILY WHOSE FAMILY INCOME IS BELOW THE MOST RECENTLY ESTABLISHED POVERTY RATE PROMULGATED BY THE APPROPRIATE FEDERAL AGENCY OR (V) AN HONORABLY DISCHARGED MEMBER OF ANY BRANCH OF THE ARMED FORCES OF THE UNITED STATES.

AN INDIVIDUAL WHO SATISFIES THE CRITERIA SET FORTH IN CLAUSE (I), (II), (IV) OR (V) OF THIS SUBPARAGRAPH AT THE TIME OF INITIAL EMPLOYMENT IN THE JOB WITH RESPECT TO WHICH THE CREDIT IS CLAIMED, OR WHO SATISFIES THE CRITERION SET FORTH IN CLAUSE (III) OF THIS SUBPARAGRAPH AT SUCH TIME OR AT ANY TIME WITHIN THE PREVIOUS TWO YEARS, SHALL BE A TARGETED EMPLOYEE SO LONG AS SUCH INDIVIDUAL CONTINUES TO RECEIVE GREEN ECONOMIC DEVELOPMENT ZONE WAGES.

(C) "AVERAGE NUMBER OF INDIVIDUALS EMPLOYED FULL-TIME" SHALL BE COMPUTED BY ASCERTAINING THE NUMBER OF SUCH INDIVIDUALS EMPLOYED BY THE TAXPAYER ON THE THIRTY-FIRST DAY OF MARCH, THE THIRTIETH DAY OF JUNE, THE THIRTIETH DAY OF SEPTEMBER AND THE THIRTY-FIRST DAY OF DECEMBER

1 DURING EACH TAXABLE YEAR OR OTHER APPLICABLE PERIOD, BY ADDING TOGETHER
2 THE NUMBER OF SUCH INDIVIDUALS ASCERTAINED ON EACH OF SUCH DATES AND
3 DIVIDING THE SUM SO OBTAINED BY THE NUMBER OF SUCH DATES OCCURRING WITH-
4 IN SUCH TAXABLE YEAR OR OTHER APPLICABLE PERIOD.

5 (3) THE CREDIT PROVIDED FOR HEREIN SHALL BE ALLOWED ONLY WHERE THE
6 AVERAGE NUMBER OF INDIVIDUALS EMPLOYED FULL-TIME BY THE TAXPAYER IN (A)
7 THE STATE AND (B) THE GREEN ECONOMIC DEVELOPMENT ZONE OR AREA PREVIOUSLY
8 CONSTITUTING SUCH ZONE OR ZONE EQUIVALENT AREA, DURING THE TAXABLE YEAR
9 EXCEEDS THE AVERAGE NUMBER OF SUCH INDIVIDUALS EMPLOYED FULL-TIME BY THE
10 TAXPAYER IN (A) THE STATE AND (B) SUCH ZONE OR AREA SUBSEQUENTLY OR
11 PREVIOUSLY CONSTITUTING SUCH ZONE OR SUCH ZONE EQUIVALENT AREA, RESPEC-
12 TIVELY, DURING THE FOUR YEARS IMMEDIATELY PRECEDING THE FIRST TAXABLE
13 YEAR IN WHICH THE CREDIT IS CLAIMED WITH RESPECT TO SUCH ZONE OR AREA.
14 WHERE THE TAXPAYER PROVIDED FULL-TIME EMPLOYMENT WITHIN (A) THE STATE OR
15 (B) SUCH ZONE OR AREA DURING ONLY A PORTION OF SUCH FOUR-YEAR PERIOD,
16 THEN FOR PURPOSES OF THIS PARAGRAPH THE TERM "FOUR YEARS" SHALL BE
17 DEEMED TO REFER INSTEAD TO SUCH PORTION, IF ANY.

18 THE CREDIT SHALL BE ALLOWED ONLY WITH RESPECT TO THE FIRST TAXABLE
19 YEAR DURING WHICH PAYMENTS OF GREEN ECONOMIC DEVELOPMENT ZONE WAGES ARE
20 MADE AND THE CONDITIONS SET FORTH IN THIS PARAGRAPH ARE SATISFIED, AND
21 WITH RESPECT TO EACH OF THE FOUR TAXABLE YEARS NEXT FOLLOWING (BUT ONLY,
22 WITH RESPECT TO EACH OF SUCH YEARS, IF SUCH CONDITIONS ARE SATISFIED),
23 IN ACCORDANCE WITH PARAGRAPH FOUR OF THIS SUBSECTION. SUBSEQUENT CERTIF-
24 ICATIONS OF THE TAXPAYER PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL
25 MUNICIPAL LAW, AT THE SAME OR A DIFFERENT LOCATION IN THE SAME GREEN
26 ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA OR AT A LOCATION IN A
27 DIFFERENT GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA, SHALL
28 NOT EXTEND THE FIVE TAXABLE YEAR TIME LIMITATION ON THE ALLOWANCE OF THE
29 CREDIT SET FORTH IN THE PRECEDING SENTENCE. PROVIDED, FURTHER, HOWEVER,
30 THAT NO CREDIT SHALL BE ALLOWED WITH RESPECT TO ANY TAXABLE YEAR BEGIN-
31 NING MORE THAN FOUR YEARS FOLLOWING THE TAXABLE YEAR IN WHICH DESIG-
32 NATION AS A GREEN ECONOMIC DEVELOPMENT ZONE EXPIRED OR MORE THAN TEN
33 YEARS AFTER THE DESIGNATION AS A ZONE EQUIVALENT AREA.

34 (4) THE AMOUNT OF THE CREDIT SHALL EQUAL THE SUM OF

35 (A) THE PRODUCT OF THREE THOUSAND DOLLARS AND THE AVERAGE NUMBER OF
36 INDIVIDUALS EMPLOYED FULL-TIME BY THE TAXPAYER, COMPUTED PURSUANT TO THE
37 PROVISIONS OF SUBPARAGRAPH (C) OF PARAGRAPH TWO OF THIS SUBSECTION, WHO

38 (I) RECEIVED GREEN ECONOMIC DEVELOPMENT ZONE WAGES FOR MORE THAN HALF
39 OF THE TAXABLE YEAR,

40 (II) RECEIVED WITH RESPECT TO MORE THAN HALF OF THE PERIOD OF EMPLOY-
41 MENT BY THE TAXPAYER DURING THE TAXABLE YEAR, AN HOURLY WAGE WHICH WAS
42 AT LEAST ONE HUNDRED THIRTY-FIVE PERCENT OF THE MINIMUM WAGE SPECIFIED
43 IN SECTION SIX HUNDRED FIFTY-TWO OF THE LABOR LAW, AND

44 (III) ARE TARGETED EMPLOYEES; AND

45 (B) THE PRODUCT OF FIFTEEN HUNDRED DOLLARS AND THE AVERAGE NUMBER OF
46 INDIVIDUALS (EXCLUDING INDIVIDUALS DESCRIBED IN SUBPARAGRAPH (A) OF THIS
47 PARAGRAPH) EMPLOYED FULL-TIME BY THE TAXPAYER, COMPUTED PURSUANT TO THE
48 PROVISIONS OF SUBPARAGRAPH (C) OF PARAGRAPH TWO OF THIS SUBSECTION, WHO
49 RECEIVED GREEN ECONOMIC DEVELOPMENT ZONE WAGES FOR MORE THAN HALF OF THE
50 TAXABLE YEAR.

51 PROVIDED, FURTHER, HOWEVER, THAT THE CREDIT PROVIDED FOR HEREIN WITH
52 RESPECT TO THE TAXABLE YEAR, AND CARRYOVERS OF SUCH CREDIT TO THE TAXA-
53 BLE YEAR, DEDUCTED FROM THE TAX OTHERWISE DUE, MAY NOT, IN THE AGGRE-
54 GATE, EXCEED FIFTY PERCENT OF THE TAX IMPOSED UNDER SECTION SIX HUNDRED
55 ONE OF THIS PART COMPUTED WITHOUT REGARD TO ANY CREDIT PROVIDED FOR
56 UNDER THIS ARTICLE.

1 (C) FOR PURPOSES OF CALCULATING THE AMOUNT OF THE CREDIT, INDIVIDUALS
2 EMPLOYED WITHIN A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT
3 AREA WITHIN THE IMMEDIATELY PRECEDING SIXTY MONTHS BY A RELATED PERSON,
4 AS SUCH TERM IS DEFINED IN SUBPARAGRAPH (C) OF PARAGRAPH THREE OF
5 SUBSECTION (B) OF SECTION FOUR HUNDRED SIXTY-FIVE OF THE INTERNAL REVEN-
6 UE CODE, SHALL NOT BE INCLUDED IN THE AVERAGE NUMBER OF INDIVIDUALS
7 DESCRIBED IN SUBPARAGRAPH (A) OR SUBPARAGRAPH (B) OF THIS PARAGRAPH,
8 UNLESS SUCH RELATED PERSON WAS NEVER ALLOWED A CREDIT UNDER THIS
9 SUBSECTION WITH RESPECT TO SUCH EMPLOYEES. FOR PURPOSES OF THIS SUBPARA-
10 GRAPH, A "RELATED PERSON" SHALL INCLUDE AN ENTITY WHICH WOULD HAVE QUAL-
11 IFIED AS A "RELATED PERSON" TO THE TAXPAYER IF IT HAD NOT BEEN
12 DISSOLVED, LIQUIDATED, MERGED WITH ANOTHER ENTITY OR OTHERWISE CEASED TO
13 EXIST OR OPERATE.

14 (D) IF A TAXPAYER IS CERTIFIED IN A GREEN ECONOMIC DEVELOPMENT ZONE
15 DESIGNATED UNDER SECTION NINE HUNDRED SEVENTY-FOUR-C OF THE GENERAL
16 MUNICIPAL LAW, THE DOLLAR AMOUNTS SPECIFIED UNDER SUBPARAGRAPH (A) OR
17 (B) OF THIS PARAGRAPH SHALL BE INCREASED BY FIVE HUNDRED DOLLARS FOR
18 EACH QUALIFYING INDIVIDUAL UNDER SUCH SUBPARAGRAPHS WHO RECEIVED, DURING
19 THE TAXABLE YEAR, WAGES IN EXCESS OF FORTY THOUSAND DOLLARS.

20 (E) THE REQUIREMENT IN THIS PARAGRAPH THAT AN EMPLOYEE MUST RECEIVE
21 GREEN ECONOMIC DEVELOPMENT ZONE WAGES FOR MORE THAN HALF THE TAXABLE
22 YEAR SHALL NOT APPLY IN THE FIRST TAXABLE YEAR OF A TAXPAYER SATISFYING
23 THE CRITERIA SET FORTH IN THIS SUBPARAGRAPH. IN SUCH A CASE, THE CREDIT
24 ALLOWED UNDER THIS SUBSECTION SHALL BE COMPUTED BY UTILIZING THE NUMBER
25 OF INDIVIDUALS (EXCLUDING GENERAL EXECUTIVE OFFICERS) EMPLOYED FULL-TIME
26 BY THE TAXPAYER ON THE LAST DAY OF ITS FIRST TAXABLE YEAR. A TAXPAYER
27 SHALL SATISFY THE FOLLOWING CRITERIA: (I) SUCH TAXPAYER ACQUIRED REAL OR
28 TANGIBLE PERSONAL PROPERTY DURING ITS FIRST TAXABLE YEAR FROM AN ENTITY
29 WHICH IS NOT A RELATED PERSON (AS SUCH TERM IS DEFINED IN SUBDIVISION
30 (G) OF SECTION FOURTEEN OF THIS CHAPTER); (II) THE FIRST TAXABLE YEAR OF
31 SUCH TAXPAYER SHALL BE A SHORT TAXABLE YEAR OF NOT MORE THAN SEVEN
32 MONTHS IN DURATION; AND (III) THE NUMBER OF INDIVIDUALS EMPLOYED
33 FULL-TIME ON THE LAST DAY OF SUCH FIRST TAXABLE YEAR SHALL BE AT LEAST
34 ONE HUNDRED NINETY AND SUBSTANTIALLY ALL OF SUCH INDIVIDUALS MUST HAVE
35 BEEN PREVIOUSLY EMPLOYED BY THE ENTITY FROM WHOM SUCH TAXPAYER PURCHASED
36 ITS ASSETS.

37 (5) IF THE AMOUNT OF THE CREDIT AND CARRYOVERS OF SUCH CREDIT ALLOWED
38 UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S
39 TAX FOR SUCH YEAR, THE EXCESS, AS WELL AS ANY PART OF THE CREDIT OR
40 CARRYOVERS OF SUCH CREDIT, OR BOTH, WHICH MAY NOT BE DEDUCTED FROM THE
41 TAX OTHERWISE DUE BY REASON OF THE FINAL SENTENCE IN PARAGRAPH FOUR OF
42 THIS SUBSECTION, MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND
43 MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS. IN LIEU
44 OF CARRYING OVER ANY SUCH EXCESS, A TAXPAYER WHO QUALIFIES AS AN OWNER
45 OF A NEW BUSINESS FOR PURPOSES OF PARAGRAPH TEN OF SUBSECTION (A) OF
46 THIS SECTION MAY, AT HIS OPTION, RECEIVE FIFTY PERCENT OF SUCH EXCESS AS
47 A REFUND. ANY REFUND PAID PURSUANT TO THIS PARAGRAPH SHALL BE DEEMED TO
48 BE A REFUND OF AN OVERPAYMENT OF TAX AS PROVIDED IN SECTION SIX HUNDRED
49 EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE
50 PAID THEREON.

51 (5-A) ANY CARRYOVER OF A CREDIT FROM PRIOR TAXABLE YEARS WILL NOT BE
52 ALLOWED IF A GREEN ECONOMIC DEVELOPMENT ZONE RETENTION CERTIFICATE IS
53 NOT ISSUED PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE COMMIS-
54 SIONER OF ECONOMIC DEVELOPMENT TO THE GREEN ECONOMIC DEVELOPMENT ZONE
55 ENTERPRISE WHICH IS THE BASIS OF THE CREDIT.

1 S 22. Section 1456 of the tax law is amended by adding a new
2 subsection (y) to read as follows:

3 (Y) GREEN ECONOMIC DEVELOPMENT ZONE WAGE TAX CREDIT. (1) A TAXPAYER
4 SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED,
5 AGAINST THE TAX IMPOSED BY THIS ARTICLE WHERE THE TAXPAYER HAS BEEN
6 CERTIFIED PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW.
7 THE AMOUNT OF SUCH CREDIT SHALL BE AS PRESCRIBED IN PARAGRAPH FOUR OF
8 THIS SUBSECTION.

9 (2) FOR PURPOSES OF THIS SUBSECTION, THE FOLLOWING TERMS SHALL HAVE
10 THE FOLLOWING MEANINGS: (A) "GREEN ECONOMIC DEVELOPMENT ZONE WAGES"
11 MEANS WAGES PAID BY THE TAXPAYER FOR FULL-TIME EMPLOYMENT, OTHER THAN TO
12 GENERAL EXECUTIVE OFFICERS, DURING THE TAXABLE YEAR IN AN AREA DESIG-
13 NATED OR PREVIOUSLY DESIGNATED AS A GREEN ECONOMIC DEVELOPMENT ZONE OR
14 ZONE EQUIVALENT AREA PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL
15 MUNICIPAL LAW WHERE SUCH EMPLOYMENT IS IN A JOB CREATED IN THE AREA (I)
16 DURING THE PERIOD OF ITS DESIGNATION AS A GREEN ECONOMIC DEVELOPMENT
17 ZONE, (II) WITHIN FOUR YEARS OF THE EXPIRATION OF SUCH DESIGNATION, OR
18 (III) DURING THE TEN YEAR PERIOD IMMEDIATELY FOLLOWING THE DATE OF
19 DESIGNATION AS A ZONE EQUIVALENT AREA, PROVIDED, HOWEVER, THAT IF THE
20 TAXPAYER'S CERTIFICATION UNDER ARTICLE EIGHTEEN-D OF THE GENERAL MUNICI-
21 PAL LAW IS REVOKED WITH RESPECT TO A GREEN ECONOMIC DEVELOPMENT ZONE OR
22 ZONE EQUIVALENT AREA, ANY WAGES PAID BY THE TAXPAYER, ON OR AFTER THE
23 EFFECTIVE DATE OF SUCH DECERTIFICATION, FOR EMPLOYMENT IN SUCH ZONE
24 SHALL NOT CONSTITUTE EMPIRE ZONE WAGES.

25 (B) "TARGETED EMPLOYEE" MEANS A NEW YORK RESIDENT WHO RECEIVES GREEN
26 ECONOMIC DEVELOPMENT ZONE WAGES AND WHO IS (I) AN ELIGIBLE INDIVIDUAL
27 UNDER THE PROVISIONS OF THE TARGETED JOBS TAX CREDIT (SECTION FIFTY-ONE
28 OF THE INTERNAL REVENUE CODE), (II) ELIGIBLE FOR BENEFITS UNDER THE
29 PROVISIONS OF THE WORKFORCE INVESTMENT ACT AS A DISLOCATED WORKER OR
30 LOW-INCOME INDIVIDUAL (P.L. 105-220, AS AMENDED), (III) A RECIPIENT OF
31 PUBLIC ASSISTANCE BENEFITS, (IV) AN INDIVIDUAL WHOSE INCOME IS BELOW THE
32 MOST RECENTLY ESTABLISHED POVERTY RATE PROMULGATED BY THE UNITED STATES
33 DEPARTMENT OF COMMERCE, OR A MEMBER OF A FAMILY WHOSE FAMILY INCOME IS
34 BELOW THE MOST RECENTLY ESTABLISHED POVERTY RATE PROMULGATED BY THE
35 APPROPRIATE FEDERAL AGENCY OR (V) AN HONORABLY DISCHARGED MEMBER OF ANY
36 BRANCH OF THE ARMED FORCES OF THE UNITED STATES.

37 AN INDIVIDUAL WHO SATISFIES THE CRITERIA SET FORTH IN CLAUSE (I),
38 (II), (IV) OR (V) OF THIS SUBPARAGRAPH AT THE TIME OF INITIAL EMPLOYMENT
39 IN THE JOB WITH RESPECT TO WHICH THE CREDIT IS CLAIMED, OR WHO SATISFIES
40 THE CRITERION SET FORTH IN CLAUSE (III) OF THIS SUBPARAGRAPH AT SUCH
41 TIME OR AT ANY TIME WITHIN THE PREVIOUS TWO YEARS, SHALL BE A TARGETED
42 EMPLOYEE SO LONG AS SUCH INDIVIDUAL CONTINUES TO RECEIVE GREEN ECONOMIC
43 DEVELOPMENT ZONE WAGES.

44 (C) "AVERAGE NUMBER OF INDIVIDUALS, EXCLUDING GENERAL EXECUTIVE OFFI-
45 CERS, EMPLOYED FULL-TIME" SHALL BE COMPUTED BY ASCERTAINING THE NUMBER
46 OF SUCH INDIVIDUALS EMPLOYED BY THE TAXPAYER ON THE THIRTY-FIRST DAY OF
47 MARCH, THE THIRTIETH DAY OF JUNE, THE THIRTIETH DAY OF SEPTEMBER AND THE
48 THIRTY-FIRST DAY OF DECEMBER DURING EACH TAXABLE YEAR OR OTHER APPLICA-
49 BLE PERIOD, BY ADDING TOGETHER THE NUMBER OF SUCH INDIVIDUALS ASCER-
50 TAINED ON EACH OF SUCH DATES AND DIVIDING THE SUM SO OBTAINED BY THE
51 NUMBER OF SUCH DATES OCCURRING WITHIN SUCH TAXABLE YEAR OR OTHER APPLI-
52 CABLE PERIOD.

53 (3) THE CREDIT PROVIDED FOR HEREIN SHALL BE ALLOWED ONLY WHERE THE
54 AVERAGE NUMBER OF INDIVIDUALS, EXCLUDING GENERAL EXECUTIVE OFFICERS,
55 EMPLOYED FULL-TIME BY THE TAXPAYER IN (I) THE STATE AND (II) THE GREEN
56 ECONOMIC DEVELOPMENT ZONE OR AREA PREVIOUSLY CONSTITUTING SUCH ZONE OR

1 ZONE EQUIVALENT AREA, DURING THE TAXABLE YEAR EXCEEDS THE AVERAGE NUMBER
2 OF SUCH INDIVIDUALS EMPLOYED FULL-TIME BY THE TAXPAYER IN (I) THE STATE
3 AND (II) SUCH ZONE OR AREA SUBSEQUENTLY OR PREVIOUSLY CONSTITUTING SUCH
4 ZONE OR SUCH ZONE EQUIVALENT AREA, RESPECTIVELY, DURING THE FOUR YEARS
5 IMMEDIATELY PRECEDING THE FIRST TAXABLE YEAR IN WHICH THE CREDIT IS
6 CLAIMED WITH RESPECT TO SUCH ZONE OR AREA. WHERE THE TAXPAYER PROVIDED
7 FULL-TIME EMPLOYMENT WITHIN (I) THE STATE OR (II) SUCH ZONE OR AREA
8 DURING ONLY A PORTION OF SUCH FOUR-YEAR PERIOD, THEN FOR PURPOSES OF
9 THIS PARAGRAPH THE TERM "FOUR YEARS" SHALL BE DEEMED TO REFER INSTEAD TO
10 SUCH PORTION, IF ANY.

11 THE CREDIT SHALL BE ALLOWED ONLY WITH RESPECT TO THE FIRST TAXABLE
12 YEAR DURING WHICH PAYMENTS OF GREEN ECONOMIC DEVELOPMENT ZONE WAGES ARE
13 MADE AND THE CONDITIONS SET FORTH IN THIS PARAGRAPH ARE SATISFIED, AND
14 WITH RESPECT TO EACH OF THE FOUR TAXABLE YEARS NEXT FOLLOWING (BUT ONLY,
15 WITH RESPECT TO EACH OF SUCH YEARS, IF SUCH CONDITIONS ARE SATISFIED),
16 IN ACCORDANCE WITH PARAGRAPH FOUR OF THIS SUBSECTION. SUBSEQUENT CERTIFI-
17 CATIONS OF THE TAXPAYER PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL
18 MUNICIPAL LAW, AT THE SAME OR A DIFFERENT LOCATION IN THE SAME GREEN
19 ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA OR AT A LOCATION IN A
20 DIFFERENT GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT AREA, SHALL
21 NOT EXTEND THE FIVE TAXABLE YEAR TIME LIMITATION ON THE ALLOWANCE OF THE
22 CREDIT SET FORTH IN THE PRECEDING SENTENCE. PROVIDED, FURTHER, HOWEVER,
23 THAT NO CREDIT SHALL BE ALLOWED WITH RESPECT TO ANY TAXABLE YEAR BEGIN-
24 NING MORE THAN FOUR YEARS FOLLOWING THE TAXABLE YEAR IN WHICH DESIGN-
25 NATION AS A GREEN ECONOMIC DEVELOPMENT ZONE EXPIRED OR MORE THAN TEN
26 YEARS AFTER THE DESIGNATION AS A ZONE EQUIVALENT AREA.

27 (4) THE AMOUNT OF THE CREDIT SHALL EQUAL THE SUM OF (A) THE PRODUCT OF
28 THREE THOUSAND DOLLARS AND THE AVERAGE NUMBER OF INDIVIDUALS (EXCLUDING
29 GENERAL EXECUTIVE OFFICERS) EMPLOYED FULL-TIME BY THE TAXPAYER, COMPUTED
30 PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH (C) OF PARAGRAPH TWO OF THIS
31 SUBSECTION, WHO (I) RECEIVED GREEN ECONOMIC DEVELOPMENT ZONE WAGES FOR
32 MORE THAN HALF OF THE TAXABLE YEAR, (II) RECEIVED, WITH RESPECT TO MORE
33 THAN HALF OF THE PERIOD OF EMPLOYMENT BY THE TAXPAYER DURING THE TAXABLE
34 YEAR, AN HOURLY WAGE WHICH WAS AT LEAST ONE HUNDRED THIRTY-FIVE PERCENT
35 OF THE MINIMUM WAGE SPECIFIED IN SECTION SIX HUNDRED FIFTY-TWO OF THE
36 LABOR LAW, AND (III) ARE TARGETED EMPLOYEES; AND

37 (B) THE PRODUCT OF FIFTEEN HUNDRED DOLLARS AND THE AVERAGE NUMBER OF
38 INDIVIDUALS (EXCLUDING GENERAL EXECUTIVE OFFICERS AND INDIVIDUALS
39 DESCRIBED IN SUBPARAGRAPH (A) OF THIS PARAGRAPH) EMPLOYED FULL-TIME BY
40 THE TAXPAYER, COMPUTED PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH (C) OF
41 PARAGRAPH TWO OF THIS SUBSECTION, WHO RECEIVED GREEN ECONOMIC DEVELOP-
42 MENT ZONE WAGES FOR MORE THAN HALF OF THE TAXABLE YEAR.

43 (C) FOR PURPOSES OF CALCULATING THE AMOUNT OF THE CREDIT, INDIVIDUALS
44 EMPLOYED WITHIN A GREEN ECONOMIC DEVELOPMENT ZONE OR ZONE EQUIVALENT
45 AREA WITHIN THE IMMEDIATELY PRECEDING SIXTY MONTHS BY A RELATED PERSON,
46 AS SUCH TERM IS DEFINED IN SUBPARAGRAPH (C) OF PARAGRAPH THREE OF
47 SUBSECTION (B) OF SECTION FOUR HUNDRED SIXTY-FIVE OF THE INTERNAL REVEN-
48 UE CODE, SHALL NOT BE INCLUDED IN THE AVERAGE NUMBER OF INDIVIDUALS
49 DESCRIBED IN SUBPARAGRAPH (A) OR SUBPARAGRAPH (B) OF THIS PARAGRAPH,
50 UNLESS SUCH RELATED PERSON WAS NEVER ALLOWED A CREDIT UNDER THIS
51 SUBSECTION WITH RESPECT TO SUCH EMPLOYEES. FOR THE PURPOSES OF THIS
52 SUBPARAGRAPH, A "RELATED PERSON" SHALL INCLUDE AN ENTITY WHICH WOULD
53 HAVE QUALIFIED AS A "RELATED PERSON" TO THE TAXPAYER IF IT HAD NOT BEEN
54 DISSOLVED, LIQUIDATED, MERGED WITH ANOTHER ENTITY OR OTHERWISE CEASED TO
55 EXIST OR OPERATE.

(D) IF A TAXPAYER IS CERTIFIED IN A GREEN ECONOMIC DEVELOPMENT ZONE DESIGNATED UNDER SECTION NINE HUNDRED SEVENTY-FOUR-C OF THE GENERAL MUNICIPAL LAW, THE DOLLAR AMOUNTS SPECIFIED UNDER SUBPARAGRAPH (A) OR (B) OF THIS PARAGRAPH SHALL BE INCREASED BY FIVE HUNDRED DOLLARS FOR EACH QUALIFYING INDIVIDUAL UNDER SUCH SUBPARAGRAPHS WHO RECEIVED, DURING THE TAXABLE YEAR, WAGES IN EXCESS OF FORTY THOUSAND DOLLARS.

(E) THE REQUIREMENT IN THIS PARAGRAPH THAT AN EMPLOYEE MUST RECEIVE EMPIRE ZONE WAGES FOR MORE THAN HALF THE TAXABLE YEAR SHALL NOT APPLY IN THE FIRST TAXABLE YEAR OF A TAXPAYER SATISFYING THE CRITERIA SET FORTH IN THIS SUBPARAGRAPH. IN SUCH A CASE, THE CREDIT ALLOWED UNDER THIS SUBSECTION SHALL BE COMPUTED BY UTILIZING THE NUMBER OF INDIVIDUALS (EXCLUDING GENERAL EXECUTIVE OFFICERS) EMPLOYED FULL TIME BY THE TAXPAYER ON THE LAST DAY OF ITS FIRST TAXABLE YEAR. A TAXPAYER SHALL SATISFY THE FOLLOWING CRITERIA: (I) SUCH TAXPAYER ACQUIRED REAL OR TANGIBLE PERSONAL PROPERTY DURING ITS FIRST TAXABLE YEAR FROM AN ENTITY WHICH IS NOT A RELATED PERSON (AS SUCH TERM IS DEFINED IN SUBDIVISION (G) OF SECTION FOURTEEN OF THIS CHAPTER); (II) THE FIRST TAXABLE YEAR OF SUCH TAXPAYER SHALL BE A SHORT TAXABLE YEAR OF NOT MORE THAN SEVEN MONTHS IN DURATION; AND (III) THE NUMBER OF INDIVIDUALS EMPLOYED FULL-TIME ON THE LAST DAY OF SUCH FIRST TAXABLE YEAR SHALL BE AT LEAST ONE HUNDRED NINETY AND SUBSTANTIALLY ALL OF SUCH INDIVIDUALS MUST HAVE BEEN PREVIOUSLY EMPLOYED BY THE ENTITY FROM WHOM SUCH TAXPAYER PURCHASED ITS ASSETS.

PROVIDED, FURTHER, HOWEVER, THAT THE CREDIT PROVIDED FOR HEREIN WITH RESPECT TO THE TAXABLE YEAR, AND CARRYOVERS OF SUCH CREDIT TO THE TAXABLE YEAR, DEDUCTED FROM THE TAX OTHERWISE DUE, MAY NOT, IN THE AGGREGATE, EXCEED FIFTY PERCENT OF THE TAX IMPOSED UNDER SECTION FOURTEEN HUNDRED FIFTY-FIVE OF THIS ARTICLE COMPUTED WITHOUT REGARD TO ANY CREDIT PROVIDED FOR UNDER THIS ARTICLE.

(5) THE CREDIT AND CARRYOVERS OF SUCH CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL NOT, IN THE AGGREGATE, REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED FIFTY-FIVE OF THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT, OR BOTH, ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, OR IF ANY PART OF THE CREDIT OR CARRYOVERS OF SUCH CREDIT MAY NOT BE DEDUCTED FROM THE TAX OTHERWISE DUE BY REASON OF THE FINAL SENTENCE IN PARAGRAPH FOUR HEREOF, ANY AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

(5-A) ANY CARRY OVER OF A CREDIT FROM PRIOR TAXABLE YEARS WILL NOT BE ALLOWED IF A GREEN ECONOMIC DEVELOPMENT ZONE RETENTION CERTIFICATE IS NOT ISSUED PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT TO THE GREEN ECONOMIC DEVELOPMENT ZONE ENTERPRISE WHICH IS THE BASIS OF THE CREDIT.

S 23. Section 1511 of the tax law is amended by adding a new subdivision (bb) to read as follows:

(BB) GREEN ECONOMIC DEVELOPMENT ZONE CAPITAL CREDIT. (1) A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE. THE AMOUNT OF THE CREDIT SHALL BE EQUAL TO TWENTY-FIVE PERCENT OF THE SUM OF THE FOLLOWING INVESTMENTS AND CONTRIBUTIONS MADE DURING THE TAXABLE YEAR AND CERTIFIED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT: (A) FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND TWELVE, QUALIFIED INVESTMENTS MADE IN, OR CONTRIBUTIONS IN THE FORM OF DONATIONS MADE TO, ONE OR MORE GREEN ECONOMIC DEVELOPMENT ZONE CAPITAL CORPORATIONS PRIOR TO JANUARY FIRST, TWO THOUSAND TWELVE, (B) QUALIFIED INVESTMENTS IN

1 CERTIFIED ZONE BUSINESSES WHICH DURING THE TWELVE MONTH PERIOD IMME-
2 DIATELY PRECEDING THE MONTH IN WHICH SUCH INVESTMENT IS MADE EMPLOYED
3 FULL-TIME WITHIN THE STATE AN AVERAGE NUMBER OF INDIVIDUALS, EXCLUDING
4 GENERAL EXECUTIVE OFFICERS, OF TWO HUNDRED FIFTY OR FEWER, COMPUTED
5 PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH (C) OF PARAGRAPH TWO OF
6 SUBDIVISION (G) OF THIS SECTION, EXCEPT FOR INVESTMENTS MADE BY OR ON
7 BEHALF OF AN OWNER OF THE BUSINESS, INCLUDING, BUT NOT LIMITED TO, A
8 STOCKHOLDER, PARTNER OR SOLE PROPRIETOR, OR ANY RELATED PERSON, AS
9 DEFINED IN SUBPARAGRAPH (C) OF PARAGRAPH THREE OF SUBSECTION (B) OF
10 SECTION FOUR HUNDRED SIXTY-FIVE OF THE INTERNAL REVENUE CODE, AND (C)
11 CONTRIBUTIONS OF MONEY TO COMMUNITY DEVELOPMENT PROJECTS AS DEFINED IN
12 REGULATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT.
13 "QUALIFIED INVESTMENTS" MEANS THE CONTRIBUTION OF PROPERTY TO A CORPO-
14 RATION IN EXCHANGE FOR ORIGINAL ISSUE CAPITAL STOCK OR OTHER OWNERSHIP
15 INTEREST, THE CONTRIBUTION OF PROPERTY TO A PARTNERSHIP IN EXCHANGE FOR
16 AN INTEREST IN THE PARTNERSHIP, AND SIMILAR CONTRIBUTIONS IN THE CASE OF
17 A BUSINESS ENTITY NOT IN CORPORATE OR PARTNERSHIP FORM IN EXCHANGE FOR
18 AN OWNERSHIP INTEREST IN SUCH ENTITY. THE TOTAL AMOUNT OF CREDIT ALLOW-
19 ABLE TO A TAXPAYER UNDER THIS PROVISION FOR ALL YEARS, TAKEN IN THE
20 AGGREGATE, SHALL NOT EXCEED THREE HUNDRED THOUSAND DOLLARS, AND SHALL
21 NOT EXCEED ONE HUNDRED THOUSAND DOLLARS WITH RESPECT TO THE INVESTMENTS
22 AND CONTRIBUTIONS DESCRIBED IN EACH OF SUBPARAGRAPHS (A), (B) AND (C) OF
23 THIS PARAGRAPH.

24 (2) THE CREDIT AND CARRYOVER OF SUCH CREDIT ALLOWED UNDER THIS SUBDI-
25 VISION FOR ANY TAXABLE YEAR SHALL NOT, IN THE AGGREGATE, REDUCE THE TAX
26 DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM FIXED BY PARAGRAPH FOUR OF
27 SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE OR BY
28 SECTION FIFTEEN HUNDRED TWO-A OF THIS ARTICLE, WHICHEVER IS APPLICABLE.
29 HOWEVER, IF THE AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT, OR BOTH,
30 ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO
31 SUCH AMOUNT, OR IF ANY PART OF THE CREDIT OR CARRYOVERS OF SUCH CREDIT
32 MAY NOT BE DEDUCTED FROM THE TAX OTHERWISE DUE BY REASON OF THE FINAL
33 SENTENCE OF THIS PARAGRAPH, ANY AMOUNT OF CREDIT OR CARRYOVERS OF SUCH
34 CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO
35 THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAX FOR SUCH
36 YEAR OR YEARS. IN ADDITION, THE AMOUNT OF SUCH CREDIT, AND CARRYOVERS OF
37 SUCH CREDIT TO THE TAXABLE YEAR, DEDUCTED FROM THE TAX OTHERWISE DUE MAY
38 NOT, IN THE AGGREGATE, EXCEED FIFTY PERCENT OF (I) IN THE CASE OF
39 TAXPAYERS SUBJECT TO TAX UNDER SUBDIVISION (B) OF SECTION FIFTEEN
40 HUNDRED TEN OF THIS ARTICLE, THE LESSER OF (I) THE LIMITATION ON TAX
41 COMPUTED PURSUANT TO SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED FIVE, OR
42 (II) THE GREATER OF THE SUM OF THE TAXES IMPOSED UNDER SECTIONS FIFTEEN
43 HUNDRED ONE AND FIFTEEN HUNDRED TEN OR THE AMOUNT OF TAX COMPUTED PURSU-
44 ANT TO SUBDIVISION (B) OF SECTION FIFTEEN HUNDRED FIVE, OR (II) FOR ALL
45 OTHER INSURANCE CORPORATIONS, THE TAX IMPOSED UNDER SECTION FIFTEEN
46 HUNDRED TWO-A OF THIS ARTICLE, COMPUTED WITHOUT REGARD TO ANY CREDIT
47 PROVIDED FOR UNDER THIS ARTICLE.

48 (2-A) ANY CARRY OVER OF A CREDIT FROM PRIOR TAXABLE YEARS WILL NOT BE
49 ALLOWED TO A GREEN ECONOMIC DEVELOPMENT ZONE ENTERPRISE WHICH IS THE
50 BASIS OF THE CREDIT, IF A GREEN ECONOMIC DEVELOPMENT ZONE RETENTION
51 CERTIFICATE IS NOT ISSUED TO SUCH ENTITY PURSUANT TO RULES AND REGU-
52 LATIONS PROMULGATED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT.

53 (3) WHERE THE STOCK, PARTNERSHIP INTEREST OR OTHER OWNERSHIP INTEREST
54 ARISING FROM A QUALIFIED INVESTMENT AS DESCRIBED IN SUBPARAGRAPHS (A)
55 AND (B) OF PARAGRAPH ONE OF THIS SUBDIVISION IS DISPOSED OF, THE TAXPAY-
56 ER'S ENTIRE NET INCOME SHALL BE COMPUTED, PURSUANT TO REGULATIONS

PROMULGATED BY THE COMMISSIONER, SO AS TO PROPERLY REFLECT THE REDUCED COST THEREOF ARISING FROM THE APPLICATION OF THE CREDIT PROVIDED FOR HEREIN.

(4)(A) WHERE A TAXPAYER SELLS, TRANSFERS OR OTHERWISE DISPOSES OF CORPORATE STOCK, A PARTNERSHIP INTEREST OR OTHER OWNERSHIP INTEREST ARISING FROM THE MAKING OF A QUALIFIED INVESTMENT WHICH WAS THE BASIS, IN WHOLE OR IN PART, FOR THE ALLOWANCE OF THE CREDIT PROVIDED FOR UNDER THIS SUBDIVISION, OR WHERE A CONTRIBUTION OR INVESTMENT WHICH WAS THE BASIS FOR SUCH ALLOWANCE IS IN ANY MANNER, IN WHOLE OR IN PART, RECOVERED BY SUCH TAXPAYER, AND SUCH DISPOSITION OR RECOVERY OCCURS DURING THE TAXABLE YEAR OR WITHIN THIRTY-SIX MONTHS FROM THE CLOSE OF THE TAXABLE YEAR WITH RESPECT TO WHICH SUCH CREDIT IS ALLOWED, SUBPARAGRAPH (B) OF THIS PARAGRAPH SHALL APPLY.

(B) THE TAXPAYER SHALL ADD BACK WITH RESPECT TO THE TAXABLE YEAR IN WHICH THE DISPOSITION OR RECOVERY DESCRIBED IN SUBPARAGRAPH (A) OF THIS PARAGRAPH OCCURRED THE REQUIRED PORTION OF THE CREDIT ORIGINALLY ALLOWED.

(C) THE REQUIRED PORTION OF THE CREDIT ORIGINALLY ALLOWED SHALL BE THE PRODUCT OF (I) THE PORTION OF SUCH CREDIT ATTRIBUTABLE TO THE PROPERTY DISPOSED OF OR THE PAYMENT OR CONTRIBUTION RECOVERED AND (II) THE APPLICABLE PERCENTAGE.

(D) THE APPLICABLE PERCENTAGE SHALL BE:

(I) ONE HUNDRED PERCENT, IF THE DISPOSITION OR RECOVERY OCCURS WITHIN THE TAXABLE YEAR WITH RESPECT TO WHICH THE CREDIT IS ALLOWED OR WITHIN TWELVE MONTHS OF THE END OF SUCH TAXABLE YEAR,

(II) SIXTY-SEVEN PERCENT, IF THE DISPOSITION OR RECOVERY OCCURS MORE THAN TWELVE BUT NOT MORE THAN TWENTY-FOUR MONTHS AFTER THE END OF THE TAXABLE YEAR WITH RESPECT TO WHICH THE CREDIT IS ALLOWED, OR

(III) THIRTY-THREE PERCENT, IF THE DISPOSITION OR RECOVERY OCCURS MORE THAN TWENTY-FOUR BUT NOT MORE THAN THIRTY-SIX MONTHS AFTER THE END OF THE TAXABLE YEAR WITH RESPECT TO WHICH THE CREDIT IS ALLOWED.

S 24. Section 66 of the public service law is amended by adding a new subdivision 12-e to read as follows:

12-E. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, UPON APPLICATION OF A GAS OR ELECTRIC CORPORATION, THE COMMISSION SHALL AUTHORIZE SUCH CORPORATION TO CHARGE A SPECIAL GREEN ECONOMIC DEVELOPMENT ZONE RATE EQUAL TO THE INCREMENTAL COST OF PROVIDING SERVICE TO CUSTOMERS CERTIFIED AS ELIGIBLE FOR SUCH RATE PURSUANT TO ARTICLE EIGHTEEN-D OF THE GENERAL MUNICIPAL LAW.

S 25. This act shall take effect immediately.