S T A T E O F N E W Y O R K

6259--C

I N S E N A T E

January 17, 2012

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

AN ACT to amend chapter 540 of the laws of 1992, amending the real property tax law relating to oil and gas charges, in relation to the effective date of such chapter (Part A); intentionally omitted (Part B); to amend the tax law, in relation to increasing the presumed "cost of the agent" relating to cigarette marketing standards; and to amend the tax law, in relation to the tax on certain tobacco products (Part C); to amend chapter 109 of the laws of 2006, amending the tax law relating to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels, in relation to extending the alternative fuels tax exemptions (Part D); to amend the tax law, in relation to making technical amendments to the tax treatment of diesel fuel to reflect industry practice (Part E); intentionally omitted (Part F); intentionally omitted (Part G); to amend the tax law, in relation to the sales and use tax exemption provided for solar energy systems equipment; and to amend the tax law, in relation to the qualified solar and energy storage manufacturer facilities and operations credit (Part H); to amend the tax law, in relation to extending the empire state commercial production tax credit; and to amend part V of chapter 62 of the laws of 2006 relating to the empire state commercial production tax credit, in relation to the effectiveness thereof (Part I); to amend the public housing law, in relation to the credit against income tax for persons or entities investing in low-income housing; and to amend the tax law, in relation to providing that the low income housing credit shall be treated as an overpayment of taxes (Part J); to amend the tax law, in relation to extending the biofuel production tax credit; and to amend part X of chapter 62 of the laws of 2006, amending the tax law relating to providing tax credits for biofuel production plants, in relation to the effectiveness thereof (Part K); to amend chapter 58 of the laws of 2006, relating to providing an

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

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enhanced earned income tax credit, in relation to the effectiveness thereof (Part L); intentionally omitted (Part M); to amend the tax law, in relation to tax rates and exclusions under the metropolitan commuter transportation mobility tax for professional employer organizations and to amend part B of chapter 56 of the laws of 2011 amending the tax law relating to the tax rates and exclusions under the metropolitan commuter transportation mobility tax, in relation to the effectiveness thereof (Part N); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part O); to amend the tax law, in relation to the distribution of revenue collected from the corporate and utilities taxes imposed under sections 183 and 184 of the tax law (Part P); to amend the tax law and the administrative code of the city of New York, in relation to facilitating the compliance of room remarketers with their obligation to collect sales tax on their sales of occupancy (Part Q); to amend the tax law, in relation to establishing a small business tax credit and a hire-now tax credit (Part R); to amend the general municipal law, in relation to the municipal redevelopment law authorizing tax increment bonds payable from and secured by real property taxes levied by a school district within a project area (Part S); to amend the tax law, in relation to increasing the tax credit for allowable college tuition expenses (Part T); to amend the public service law, in relation to a temporary annual assessment; to amend part NN of chapter 59 of the laws of 2009 amending the public service law relating to financing operations of the department of public service, in relation to the effectiveness thereof; and to amend the public service law, in relation to reducing the amount a utility can be assessed (Part U); to amend the labor law, in relation to eliminating an employer's annual notice requirement (Part V); to amend the executive law, in relation to requiring state agencies which issue licenses, registrations, permits and/or certifications to annually report on the periods of time taken to process each application therefor (Part W); to amend the tax law, in relation to the qualified emerging technology company facilities, operations and training credit (Part X); to amend the tax law, in relation to including payments in lieu of taxes made by a qualified empire zone enterprise (QEZE) within the meaning of the term "eligible real property taxes" (Part Y); to amend the tax law, in relation to the definition of a resident for the purposes of the personal income tax (Part Z); to amend the civil practice law and rules, in relation to the undertaking required during the pendency of a stay of enforcement of a judgment against tobacco product master settlement agreement signatories or their successors or affiliates (Part AA); to amend the tax law, in relation to enacting the "economic development liaison act" (Part BB); to amend the insurance law, in relation to the life insurance company guaranty corporation of New York (Part CC); to amend the tax law, in relation to qualified transportation fringe benefits (Part

DD); to amend the tax law, in relation to increasing the maximum award available under the historic preservation tax credit (Part EE); to amend the tax law, in relation to the sale of food and beverages through vending machines (Part FF); to amend the tax law, in relation to the definition of employer for certain tax purposes (Part GG); to amend the tax law, in relation to establishing a tax credit for victims of Hurricane Irene and Tropical Storm Lee (Part HH); to amend chapter 912 of the laws of 1920 relating to the regulation of boxing, sparring and wrestling, in relation to establishing protocols for combative sports and authorizing mixed martial arts events in this state; to amend the tax law, in relation to the imposition of a tax on the gross receipts of any person holding any professional or amateur boxing, sparring or wrestling match or exhibition, or professional combative sports match or exhibition; and providing for the repeal of such provisions upon expiration thereof (Part II); to amend the tax law, in relation to program six certified capital companies and to repeal section 84 of part A of chapter 62 of the laws of 2011 relating to constituting chapter 18-A of the consolidated laws relating to financial services, relating to making certain provisions permanent (Part JJ); to amend the tax law, in relation to the disposition of lottery revenues (Part KK); to amend the tax law, in relation to brownfield site cleanup; and to repeal section 31 of part H of chapter 1 of the laws of 2003 amending the tax law relating to brownfield redevelopment tax credits, relating thereto (Part LL); to amend the tax law, in relation to placing a limit upon the personal income tax by the state of New York (Part MM); to amend the tax law, in relation to the term "qualified New York manufacturer" (Part NN); to repeal subparagraph (C) of paragraph 1 of subdivision (i) of section 1136 of the tax law relating to the requirement that certain wholesalers of beer file annual information returns for purposes of sales taxes (Part OO); to amend the tax law and the administrative code of the city of New York, in relation to the taxation of certain banking corporations (Part PP); and to amend the insurance law, in relation to obligations for certain taxes (Part QQ)

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

Section 1. This act enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2012-2013 state fiscal year. Each component is wholly contained within a Part identified as Parts A through QQ. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Section 2 of chapter 540 of the laws of 1992, amending the real property tax law relating to oil and gas charges, as amended by

section 1 of part II of chapter 56 of the laws of 2009, is amended to read as follows:

S 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 1992; provided, however that any charges imposed by section 593 of the real property tax law as added by section one of this act shall first be due for values for assessment rolls with tentative completion dates after July 1, 1992, and provided further, that this act shall remain in full force and effect until March 31, [2012] 2015, at which time section 593 of the real property tax law as added by section one of this act shall be repealed.

S 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2012.

PART B

Intentionally omitted

PART C

Section 1. Subparagraph (B) of paragraph 1 of subdivision (b) of section 483 of the tax law, as amended by chapter 1 of the laws of 1999, is amended to read as follows:

(B) In the absence of the filing with the commissioner of satisfactory proof of a lesser cost of doing business of the agent making the sale, the cost of doing business by the agent shall be presumed to be seven-eighths of one percent of the basic cost of cigarettes for sales to wholesale dealers plus [one cent] SEVEN CENTS per package of ten cigarettes, [two] FOURTEEN cents per package of twenty cigarettes and in the case of a package containing more than twenty cigarettes, [two] SEVENTEEN cents and one-half of a cent for each five cigarettes in excess of twenty cigarettes, one and one-half percent of the basic cost of cigarettes for sales to chain stores plus [one cent] SEVEN CENTS per package of ten cigarettes, [two] FOURTEEN cents per package of twenty cigarettes and in the case of a package containing more than twenty cigarettes, [two] SEVENTEEN cents and one-half of a cent for each five cigarettes in excess of twenty cigarettes and three and seven-eighths percent of the basic cost of cigarettes with respect to sales to retail dealers plus [one cent] SEVEN AND ONE-QUARTER CENTS per package of ten cigarettes, [two] FOURTEEN AND ONE-HALF cents per package of twenty cigarettes and in the case of a package containing more than twenty cigarettes, [two] SEVENTEEN cents and one-half of a cent for each five cigarettes in excess of twenty cigarettes and the foregoing cents per pack shall be included in the "cost of doing business by the agent" referred to in paragraphs two and three of this subdivision.

S 2. Subdivision 2-a of section 470 of the tax law, as added by chapter 552 of the laws of 2008, is amended and a new subdivision 20 is added to read as follows:

2-a. "Roll-your-own tobacco." Any tobacco product, OTHER THAN PIPE TOBACCO, that[, because of its appearance, type, packaging or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making] IS OF A SIMILAR TYPE, CONSISTENCY, AND CUT AS THE TOBACCO USED IN THE COMMERCIAL MANUFACTURING OF cigarettes.

20. "PIPE TOBACCO." A TOBACCO PRODUCT USED FOR PIPE SMOKING THAT HAS A MOISTURE CONTENT THAT MEETS OR EXCEEDS SIXTEEN PERCENT OF ITS WEIGHT AT THE TIME OF PACKAGING OR THAT CONSISTS OF CUT TOBACCO MEETING A ONE-SIX-

TEENTH OF ONE INCH WIDTH MINIMUM OR IS NOT SUITABLE FOR USE BY CONSUMERS AS TOBACCO FOR MAKING CIGARETTES.

S 3. Section 471-b of the tax law, as added by chapter 61 of the laws of 1989, subdivision 1 as amended by section 2 of part QQ-1 of chapter 57 of the laws of 2008, paragraphs (a) and (b) of subdivision 1 as amended by section 18 and paragraph (c) of subdivision 1 as added by section 19 of part D of chapter 134 of the laws of 2010, is amended to read as follows:

S 471-b. Imposition of tobacco products tax. 1. There is hereby imposed and shall be paid a tax on all tobacco products [possessed in this state by any person for sale] SOLD, SHIPPED OR DELIVERED WITHIN THIS STATE BY ANY PERSON, except that no tax shall be imposed on tobacco products sold under such circumstances that this state is without power to impose such tax, or sold to the United States, or sold to or by a voluntary unincorporated organization of the armed forces of the United States operating a place for the sale of goods pursuant to regulations promulgated by the appropriate executive agency of the United States, to the extent provided in such regulations and policy statements of such an agency applicable to such sales.

(a) Such tax on tobacco products other than snuff and little cigars shall be at the rate of seventy-five percent of the wholesale price, and is intended to be imposed only once upon the sale of any tobacco products other than snuff and little cigars. PROVIDED HOWEVER, SUCH TAX ON CIGARS SHALL BE AT THE RATE OF SEVENTY-FIVE PERCENT OF THE WHOLESALE PRICE OR ONE DOLLAR PER CIGAR, WHICHEVER IS LESS.

(b) Such tax on snuff shall be at the rate of two dollars per ounce and a proportionate rate on any fractional parts of an ounce, provided that cans or packages of snuff with a net weight of less than one ounce shall be taxed at the equivalent rate of cans or packages weighing one ounce. Such tax shall be computed based on the net weight as listed by the manufacturer, and is intended to be imposed only once upon the sale of any snuff.

(c) Such tax on little cigars shall be at the same rate imposed on cigarettes under this article and is intended to be imposed only once upon the sale of any little cigars.

(D) SUCH TAX ON ROLL-YOUR-OWN TOBACCO SHALL BE AT THE RATE OF FOUR DOLLARS AND THIRTY-FIVE CENTS PER OUNCE AND A PROPORTIONATE RATE ON ANY FRACTIONAL PARTS OF AN OUNCE, PROVIDED THAT CANS OR PACKAGES OF ROLL-YOUR-OWN TOBACCO WITH A NET WEIGHT OF LESS THAN ONE OUNCE SHALL BE TAXED AT THE EQUIVALENT RATE OF CANS OR PACKAGES WEIGHING ONE OUNCE. SUCH TAX SHALL BE COMPUTED BASED ON THE NET WEIGHT AS LISTED BY THE MANUFACTURER, AND IS INTENDED TO BE IMPOSED ONLY ONCE UPON THE SALE OF ANY ROLL-YOUR-OWN TOBACCO.

It shall be presumed that all tobacco products within the state are subject to tax until the contrary is established, and the burden of proof that any tobacco products are not taxable hereunder shall be upon the person in possession thereof.

2. The distributor shall be liable for the payment of the tax on tobacco products [which he imports or causes to be imported into the state, or which he manufactures in the state] SOLD, SHIPPED OR DELIVERED WITHIN THIS STATE BY SUCH DISTRIBUTOR, and every distributor authorized by the commissioner of taxation and finance to make returns and pay the tax on tobacco products sold, shipped or delivered by him to any person in the state shall be liable for the payment of the tax on all tobacco products so sold, shipped or delivered.

3. Every dealer shall be liable for the tax on all tobacco products in his possession at any time, upon which tax has not been paid or assumed by a distributor appointed by the commissioner of taxation and finance, and the failure of any dealer to produce and exhibit to the commissioner of taxation and finance or his OR HER authorized representative upon demand, an invoice by a distributor or licensed wholesale dealer for any tobacco products in his OR HER possession shall be presumptive evidence that the tax thereon has not been paid, and that such dealer is liable for the tax thereon unless evidence of such invoice, payment or assumption shall later be produced.

S 4. Section 471-c of the tax law, as amended by section 2 of part I-1 of chapter 57 of the laws of 2009, paragraphs (i) and (ii) of subdivision (a) as amended by section 20 and paragraph (iii) of subdivision (a) as added by section 21 of part D of chapter 134 of the laws of 2010, is amended to read as follows:

S 471-c. Use tax on tobacco products. (a) There is hereby imposed and shall be paid a tax on all tobacco products used in the state by any person, except that no such tax shall be imposed (1) if the tax provided in section four hundred seventy-one-b of this article is paid, or (2) on the use of tobacco products which are exempt from the tax imposed by said section, or (3) on the use of two hundred fifty cigars or less, or five pounds or less of tobacco other than roll-your-own tobacco, or thirty-six ounces or less of roll-your-own tobacco brought into the state on, or in the possession of, any person.

(i) Such tax on tobacco products other than CIGARS, snuff and little cigars shall be at the rate of seventy-five percent of the wholesale price.

(ii) SUCH TAX ON CIGARS SHALL BE AT THE RATE OF SEVENTY-FIVE PERCENT OF THE WHOLESALE PRICE OR ONE DOLLAR PER CIGAR, WHICHEVER IS LESS, AND IS INTENDED TO BE IMPOSED ONLY ONCE UPON THE SALE OF ANY CIGAR.

(III) Such tax on snuff shall be at the rate of two dollars per ounce and a proportionate rate on any fractional parts of an ounce, provided that cans or packages of snuff with a net weight of less than one ounce shall be taxed at the equivalent rate of cans or packages weighing one ounce. Such tax shall be computed based on the net weight as listed by the manufacturer.

[(iii)] (IV) Such tax on little cigars shall be at the same rate imposed on cigarettes under this article and is intended to be imposed only once upon the sale of any little cigars.

(V) SUCH TAX ON ROLL-YOUR-OWN TOBACCO SHALL BE AT THE RATE OF FOUR DOLLARS AND THIRTY-FIVE CENTS PER OUNCE AND A PROPORTIONATE RATE ON ANY FRACTIONAL PARTS OF AN OUNCE, PROVIDED THAT CANS OR PACKAGES OF ROLL-YOUR-OWN TOBACCO WITH A NET WEIGHT OF LESS THAN ONE OUNCE SHALL BE TAXED AT THE EQUIVALENT RATE OF CANS OR PACKAGES WEIGHING ONE OUNCE. SUCH TAX SHALL BE COMPUTED BASED ON THE NET WEIGHT AS LISTED BY THE MANUFACTURER, AND IS INTENDED TO BE IMPOSED ONLY ONCE UPON THE SALE OF ANY ROLL-YOUR-OWN TOBACCO.

(b) Within twenty-four hours after liability for the tax accrues, each such person shall file with the commissioner a return in such form as the commissioner may prescribe together with a remittance of the tax shown to be due thereon. For purposes of this article, the word "use" means the exercise of any right or power actual or constructive and shall include but is not limited to the receipt, storage or any keeping or retention for any length of time, but shall not include possession for sale. All the other provisions of this article, if not inconsistent, shall apply to the administration and enforcement of the tax imposed by

this section in the same manner as if the language of said provisions had been incorporated in full into this section.

S 5. Subdivision 1 of section 473-a of the tax law, as added by chapter 61 of the laws of 1989, is amended to read as follows:

1. Every distributor shall, on or before the twentieth day of each month, file with the commissioner of taxation and finance a return on forms to be prescribed and furnished by the commissioner, showing the quantity and wholesale price of all tobacco products [imported or caused to be imported into the state by him or manufactured in the state by him], SOLD, SHIPPED OR DELIVERED WITHIN THIS STATE BY HIM OR HER during the preceding calendar month. Every distributor authorized by the commissioner to make returns and pay the tax on tobacco products sold, shipped or delivered by him OR HER to any person in the state shall file a return showing the quantity and wholesale price of all tobacco products so sold, shipped or delivered during the preceding calendar month. Provided, however, the commissioner may, if he OR SHE deems it necessary in order to insure the payment of the taxes imposed by this article, require returns to be made at such times and covering such periods as he OR SHE may deem necessary, and, by regulation, may permit the filing of returns on a quarterly, semi-annual or annual basis, or may waive the filing of returns by a distributor for such time and upon such terms as he OR SHE may deem proper if satisfied that no tax imposed by this article is or will be payable by him OR HER during the time for which returns are waived. Such returns shall contain such further information as the commissioner may require.

S 6. The commissioner of taxation and finance, in conjunction with the director of the division of the budget, shall submit to the governor, the temporary president of the senate, and the speaker of the assembly, an annual report to be submitted in July of each year evaluating the tax on tobacco products. Such report shall include, but not be limited to, the quantity of all tobacco products, by category, sold, shipped or delivered in the state during the preceding fiscal year, the amount of tax revenue received on tobacco products, by category, as well as the number of distributors filing and paying such taxes to the state during the preceding fiscal year. Such report shall be based on data available from the returns filed with the department of taxation and finance as well as from any final determinations of taxes assessed by the department. Notwithstanding any provision of law to the contrary, the information contained in the report shall be public information. The report may also include any recommendations for changes in the imposition or administration of the tax, and any other recommendation of the commissioner regarding continuing modification, or repeal of such tax, and such other information regarding the tax as the commissioner may feel useful and appropriate.

S 7. The commissioner of taxation and finance shall establish procedures to provide for a credit against taxes paid by distributors on products where taxes have been paid prior to the effective date of this act to offset the taxes due on or after the effective date of this act.

S 8. This act shall take effect immediately, provided however that:

a. section one of this act shall take effect July 1, 2012; provided, however, that if this act shall not have become a law on or before July 1, 2012, then section one of this act shall take effect immediately and shall be deemed to have been in full force and effect on and after July 1, 2012; and

b. sections three, four, five, six and seven of this act shall take effect on the first day of the month next commencing at least ninety

days after this act shall have become a law; provided that the commissioner of taxation and finance shall be authorized on and after the date this act shall have become a law to adopt and amend any rules and regulations and issue any procedure, forms or instructions necessary to implement this act on its effective date.

PART D

Section 1. Section 19 of part W-1 of chapter 109 of the laws of 2006, amending the tax law relating to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels, as amended by section 2 of part L of chapter 61 of the laws of 2011, is amended to read as follows:

S 19. This act shall take effect immediately; provided, however, that sections one through thirteen of this act shall take effect September 1, 2006 and shall be deemed repealed on September 1, [2012] 2017 and such repeal shall apply in accordance with the applicable transitional provisions of sections 1106 and 1217 of the tax law, and shall apply to sales made, fuel compounded or manufactured, and uses occurring on or after such date, and with respect to sections seven through eleven of this act, in accordance with applicable transitional provisions of sections 1106 and 1217 of the tax law; provided, however, that the commissioner of taxation and finance shall be authorized on and after the date this act shall have become a law to adopt and amend any rules or regulations and to take any steps necessary to implement the provisions of this act; provided further that sections fourteen through sixteen of this act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2006.

S 2. This act shall take effect immediately.

PART E

Section 1. Subdivision 14 of section 282 of the tax law, as amended by section 1 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

14. "Diesel motor fuel" shall mean No. 1 Diesel fuel, No. 2 Diesel fuel, biodiesel, kerosene, [crude oil,] fuel oil or other middle distillate and also motor fuel suitable for use in the operation of an engine of the diesel type, excluding, however, any product specifically designated "No. 4 Diesel fuel" and not suitable as a fuel used in the operation of a motor vehicle engine.

S 2. Paragraph (b) of subdivision 3 of section 282-a of the tax law, as amended by section 5 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(b) The tax on the incidence of sale or use imposed by subdivision one of this section shall not apply to: (i) the sale or use of non-highway Diesel motor fuel, but only if all of such fuel is consumed other than on the public highways of this state (except for the use of the public highway by farmers to reach adjacent farmlands); provided, however, this exemption shall in no event apply to a sale of non-highway Diesel motor fuel which involves a delivery at a filling station or into a repository which is equipped with a hose or other apparatus by which such fuel can be dispensed into the fuel tank of a motor vehicle (except for delivery at a farm site which qualifies for the exemption under subdivision (g) of section three hundred one-b of this chapter); or (ii) a sale to the consumer consisting of not more than twenty gallons of water-white kero-

sene to be used and consumed exclusively for heating purposes; or (iii) the sale to or delivery at a filling station or other retail vendor of water-white kerosene provided such filling station or other retail vendor only sells such water-white kerosene exclusively for heating purposes in containers of no more than twenty gallons; or (iv) a sale of kero-jet fuel to an airline for use in its airplanes or a use of kero-jet fuel by an airline in its airplanes; or (v) a sale of kero-jet fuel by a registered distributor of Diesel motor fuel to a fixed base operator registered under this article as a distributor of kero-jet fuel only where such fixed base operator is engaged solely in making or offering to make retail sales not in bulk of kero-jet fuel directly into the fuel tank of an airplane for the purpose of operating such airplane; [or] (vi) a retail sale not in bulk of kero-jet fuel by a fixed base operator registered under this article as a distributor of kero-jet fuel only where such fuel is delivered directly into the fuel tank of an airplane for use in the operation of such airplane; OR (VII) THE SALE OF PREVIOUSLY UNTAXED QUALIFIED BIODIESEL TO A PERSON REGISTERED UNDER THIS ARTICLE AS A DISTRIBUTOR OF DIESEL MOTOR FUEL OTHER THAN (A) A RETAIL SALE TO SUCH PERSON OR (B) A SALE TO SUCH PERSON WHICH INVOLVES A DELIVERY AT A FILLING STATION OR INTO A REPOSITORY WHICH IS EQUIPPED WITH A HOSE OR OTHER APPARATUS BY WHICH SUCH QUALIFIED BIODIESEL CAN BE DISPENSED INTO THE FUEL TANK OF A MOTOR VEHICLE.

S 3. Paragraph 5 of subdivision (a) of section 301-b of the tax law, as added by chapter 190 of the laws of 1990, is amended to read as follows:

(5) [Crude oil and liquefied] LIQUIFIED petroleum gases, such as butane, ethane or propane.

S 4. Subdivision (e) of section 301-b of the tax law, as amended by section 21 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(e) Sales of QUALIFIED BIODIESEL, non-highway diesel motor fuel and residual petroleum product to registered distributors of diesel motor fuel and registered residual petroleum product businesses.

(1) [Non-highway] QUALIFIED BIODIESEL AND NON-HIGHWAY Diesel motor fuel sold by a person registered under article twelve-A of this chapter as a distributor of diesel motor fuel to a person registered under such article twelve-A as a distributor of diesel motor fuel where such sale is not a retail sale or a sale that involves a delivery at a filling station or into a repository equipped with a hose or other apparatus by which such QUALIFIED BIODIESEL OR non-highway Diesel motor fuel can be dispensed into the fuel tank of a motor vehicle.

(2) Residual petroleum product sold by a person registered under this article as a residual petroleum product business to a person registered under this article as a residual petroleum product business where such sale is not a retail sale. Provided, however, that the commissioner may require such documentary proof to qualify for any exemption provided in this section as the commissioner deems appropriate, including the expansion of any certifications required pursuant to section two hundred eighty-five-a or two hundred eighty-five-b of this chapter to cover the taxes imposed by this article.

(3) "QUALIFIED BIODIESEL" MEANS SUCH TERM AS DEFINED IN SUBDIVISION TWENTY-THREE OF SECTION TWO HUNDRED EIGHTY-TWO OF THIS CHAPTER.

S 5. Paragraph 2 of subdivision (a) of section 1102 of the tax law, as amended by section 39 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(2) Every distributor of diesel motor fuel shall pay, as a prepayment on account of the taxes imposed by this article and pursuant to the authority of article twenty-nine of this chapter, a tax upon the sale or use of diesel motor fuel in this state. The tax shall be computed based upon the number of gallons of diesel motor fuel sold or used. Provided, however, if the tax has not been imposed prior thereto, it shall be imposed on the delivery of diesel motor fuel to a retail service station. The collection of such tax shall not be made applicable to the sale or use of diesel motor fuel under circumstances which preclude the collection of such tax by reason of the United States constitution and of laws of the United States enacted pursuant thereto. The prepaid tax on diesel motor fuel shall not apply to (i) the sale of previously untaxed non-highway Diesel motor fuel to a person registered as a distributor of Diesel motor fuel other than a sale to such person which involves a delivery at a filling station or into a repository which is equipped with a hose or other apparatus by which such fuel can be dispensed into the fuel tank of a motor vehicle, [or] (ii) the sale to or delivery at a filling station or other retail vendor of water-white kerosene provided such filling station or other retail vendor only sells such water-white kerosene exclusively for heating purposes in containers of no more than twenty gallons or to the sale of CNG or hydrogen; OR (III) THE SALE OF PREVIOUSLY UNTAXED QUALIFIED BIODIESEL TO A PERSON REGISTERED UNDER ARTICLE TWELVE-A OF THIS CHAPTER AS A DISTRIBUTOR OF DIESEL MOTOR FUEL OTHER THAN (A) A RETAIL SALE TO SUCH PERSON OR (B) A SALE TO SUCH PERSON WHICH INVOLVES A DELIVERY AT A FILLING STATION OR INTO A REPOSITORY WHICH IS EQUIPPED WITH A HOSE OR OTHER APPARATUS BY WHICH SUCH QUALIFIED BIODIESEL CAN BE DISPENSED INTO THE FUEL TANK OF A MOTOR VEHICLE. "QUALIFIED BIODIESEL" MEANS SUCH TERM AS DEFINED IN SUBDIVISION TWENTY-THREE OF SECTION TWO HUNDRED EIGHTY-TWO OF THIS CHAPTER.

S 6. Paragraph 2 of subdivision (a) of section 1102 of the tax law, as amended by section 39-a of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(2) Every distributor of diesel motor fuel shall pay, as a prepayment on account of the taxes imposed by this article and pursuant to the authority of article twenty-nine of this chapter, a tax upon the sale or use of diesel motor fuel in this state. The tax shall be computed based upon the number of gallons of diesel motor fuel sold or used. Provided, however, if the tax has not been imposed prior thereto, it shall be imposed on the delivery of diesel motor fuel to a retail service station. The collection of such tax shall not be made applicable to the sale or use of diesel motor fuel under circumstances which preclude the collection of such tax by reason of the United States constitution and of laws of the United States enacted pursuant thereto. The prepaid tax on diesel motor fuel shall not apply to (i) the sale of [previously untaxed] non-highway Diesel motor fuel to a person registered as a distributor of Diesel motor fuel other than a sale to such person which involves a delivery at a filling station or into a repository which is equipped with a hose or other apparatus by which such fuel can be dispensed into the fuel tank of a motor vehicle, [or] (ii) the sale to or delivery at a filling station or other retail vendor of water-white kerosene provided such filling station or other retail vendor only sells such water-white kerosene exclusively for heating purposes in containers of no more than twenty gallons; OR (III) THE SALE OF PREVIOUSLY UNTAXED QUALIFIED BIODIESEL TO A PERSON REGISTERED UNDER ARTICLE TWELVE-A OF THIS CHAPTER AS A DISTRIBUTOR OF DIESEL MOTOR FUEL OTHER THAN (A) A

RETAIL SALE TO SUCH PERSON OR (B) A SALE TO SUCH PERSON WHICH INVOLVES A DELIVERY AT A FILLING STATION OR INTO A REPOSITORY WHICH IS EQUIPPED WITH A HOSE OR OTHER APPARATUS BY WHICH SUCH QUALIFIED BIODIESEL CAN BE DISPENSED INTO THE FUEL TANK OF A MOTOR VEHICLE. "QUALIFIED BIODIESEL" MEANS SUCH TERM AS DEFINED IN SUBDIVISION TWENTY-THREE OF SECTION TWO HUNDRED EIGHTY-TWO OF THIS CHAPTER.

S 7. This act shall take effect June 1, 2012; provided, however, that the amendments to paragraph 2 of subdivision (a) of section 1102 of the tax law made by section five of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 19 of part W1 of chapter 109 of the laws of 2006, as amended, when upon such date the provisions of section six of this act shall take effect; provided, further, that sections five and six of this act shall apply to sales made and uses occurring on and after such effective date in accordance with the applicable transitional provisions in sections 1106 and 1217 of the tax law.

PART F

Intentionally omitted

PART G

Intentionally omitted

PART H

Section 1. Subdivision (ee) of section 1115 of the tax law, as added by chapter 306 of the laws of 2005, is amended to read as follows:

(ee) Receipts from the retail sale of residential solar energy systems equipment and THE RECEIPTS FROM THE RETAIL SALE of the service of installing such RESIDENTIAL systems AND THE RECEIPTS FROM THE RETAIL SALE OF THE SERVICE OF INSTALLING NON-RESIDENTIAL SOLAR ENERGY SYSTEMS shall be exempt from tax under this article. For the purposes of this subdivision, "residential solar energy systems equipment" shall mean an arrangement or combination of components installed in a residence that utilizes solar radiation to produce energy designed to provide heating, cooling, hot water and/or electricity IN A BUILDING OR A STRUCTURE; AND "NON-RESIDENTIAL SOLAR ENERGY SYSTEMS EQUIPMENT" SHALL MEAN AN ARRANGEMENT OR COMBINATION OF COMPONENTS NOT INSTALLED IN A RESIDENCE THAT UTILIZES SOLAR RADIATION TO PRODUCE ENERGY DESIGNED TO PROVIDE HEATING, COOLING, HOT WATER AND/OR ELECTRICITY IN A BUILDING OR A STRUCTURE. Such arrangement or components shall not [include] EXCEED AN INSTALLED CAPACITY RATING OF TWO MEGAWATTS OR THE THERMAL EQUIVALENT THEREOF AND SHALL NOT INCLUDE equipment that is part of a non-solar energy system or [which uses any sort of recreational facility or equipment as a storage medium] SYSTEMS OR EQUIPMENT USED TO HEAT RESIDENTIAL SWIMMING POOLS.

S 2. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as amended by section 3 of part GG of chapter 57 of the laws of 2010, is amended to read as follows:

(1) Either, all of the taxes described in article twenty-eight of this chapter, at the same uniform rate, as to which taxes all provisions of the local laws, ordinances or resolutions imposing such taxes shall be identical, except as to rate and except as otherwise provided, with the corresponding provisions in such article twenty-eight, including the definition and exemption provisions of such article, so far as the provisions of such article twenty-eight can be made applicable to the

taxes imposed by such city or county and with such limitations and special provisions as are set forth in this article. The taxes authorized under this subdivision may not be imposed by a city or county unless the local law, ordinance or resolution imposes such taxes so as to include all portions and all types of receipts, charges or rents, subject to state tax under sections eleven hundred five and eleven hundred ten of this chapter, except as otherwise provided. (i) Any local law, ordinance or resolution enacted by any city of less than one million or by any county or school district, imposing the taxes authorized by this subdivision, shall, notwithstanding any provision of law to the contrary, exclude from the operation of such local taxes all sales of tangible personal property for use or consumption directly and predominantly in the production of tangible personal property, gas, electricity, refrigeration or steam, for sale, by manufacturing, processing, generating, assembly, refining, mining or extracting; and all sales of tangible personal property for use or consumption predominantly either in the production of tangible personal property, for sale, by farming or in a commercial horse boarding operation, or in both; and, unless such city, county or school district elects otherwise, shall omit the provision for credit or refund contained in clause six of subdivision (a) or subdivision (d) of section eleven hundred nineteen of this chapter. (ii) Any local law, ordinance or resolution enacted by any city, county or school district, imposing the taxes authorized by this subdivision, shall omit the [residential] solar energy systems equipment AND/OR INSTALLATION exemption, AS APPLICABLE, provided for in subdivision (ee) and the clothing and footwear exemption provided for in paragraph thirty of subdivision (a) of section eleven hundred fifteen of this chapter, unless such city, county or school district elects otherwise as to either such [residential] solar energy systems equipment AND/OR INSTALLATION exemption, AS APPLICABLE, or such clothing and footwear exemption.

S 3. Paragraph 1 of subdivision (n) of section 1210 of the tax law, as added by chapter 306 of the laws of 2005, is amended to read as follows:

(1) Any city having a population of one million or more in which the taxes imposed by section eleven hundred seven of this chapter are in effect, acting through its local legislative body, is hereby authorized and empowered to elect to provide the same exemptions from such taxes as the [residential] solar energy systems equipment AND/OR INSTALLATION exemption, AS APPLICABLE, from state sales and compensating use taxes described in subdivision (ee) of section eleven hundred fifteen of this chapter by enacting a resolution in the form set forth in paragraph two of this subdivision; whereupon, upon compliance with the provisions of subdivisions (d) and (e) of this section, such enactment of such resolution shall be deemed to be an amendment to such section eleven hundred seven and such section eleven hundred seven shall be deemed to incorporate such exemptions as if they had been duly enacted by the state legislature and approved by the governor.

S 4. Section 210 of the tax law is amended by adding a new subdivision 12-H to read as follows:

12-H. QUALIFIED SOLAR AND ENERGY STORAGE MANUFACTURER FACILITIES AND OPERATIONS CREDIT. (A) A TAXPAYER THAT IS WHOLE OR PART OF AN ENTITY THAT SERVES AS THE PRINCIPAL OPERATOR OF A FACILITY PRIMARILY FUNCTIONING TO FABRICATE SOLAR ENERGY EQUIPMENT OR ENERGY STORAGE EQUIPMENT AND THAT MEETS THE ELIGIBILITY REQUIREMENTS IN PARAGRAPH (B) OF THIS SUBDIVISION, SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE. THE AMOUNT OF CREDIT SHALL BE EQUAL TO THE SUM OF THE AMOUNTS SPEC-

IFIED IN PARAGRAPHS (C) AND (D) OF THIS SUBDIVISION ATTRIBUTABLE TO THE TAXPAYER SUBJECT TO THE LIMITATIONS IN PARAGRAPH (E) OF THIS SUBDIVISION. FOR THE PURPOSES OF THIS SUBDIVISION SOLAR ENERGY EQUIPMENT SHALL MEAN THE MANUFACTURING OF MATERIAL COMPONENTS IN NEW YORK STATE DESIGNED TO PRODUCE ELECTRICITY UTILIZING SOLAR RADIATION AS THE ENERGY SOURCE FOR SUCH ELECTRICITY; AND ENERGY STORAGE EQUIPMENT SHALL MEAN MATERIALS AND DEVICES INTENDED TO STORE SOME FORM OF ENERGY RELATED TO NEW ENERGY TECHNOLOGIES AS DESCRIBED IN SUBDIVISION ONE OF SECTION EIGHTEEN HUNDRED FIFTY-FOUR OF THE PUBLIC AUTHORITIES LAW. SUCH EQUIPMENT MAY EMPLOY ELECTRICAL, ELECTROCHEMICAL, SUPERCAPACITOR, COMPRESSED GAS, MECHANICAL, THERMAL OR OTHER DEMONSTRABLE MEANS SINGLY OR IN COMBINATION. THE DETERMINATION OF WHETHER SOLAR ENERGY EQUIPMENT OR ENERGY STORAGE EQUIPMENT QUALIFIES FOR ELIGIBLE COSTS UNDER THIS SUBDIVISION SHALL BE DETERMINED BY THE COMMISSIONER AND, IF REQUESTED BY THE COMMISSIONER, THE PRESIDENT OF THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY.

(B) AN ELIGIBLE TAXPAYER SHALL (I) HAVE MORE THAN ONE HUNDRED FULL-TIME EMPLOYEES EMPLOYED IN NEW YORK STATE, AND (II) HAVE A RATIO OF RESEARCH AND DEVELOPMENT FUNDS TO NET SALES, AS REFERRED TO IN SECTION THIRTY-ONE HUNDRED TWO-E OF THE PUBLIC AUTHORITIES LAW, WHICH EQUALS OR EXCEEDS THREE PERCENT DURING ITS TAXABLE YEAR.

(C) AN ELIGIBLE TAXPAYER SHALL BE ALLOWED A CREDIT FOR TWENTY PER CENTUM OF THE ATTRIBUTABLE COST OR SIMILAR BASIS FOR FEDERAL INCOME TAX PURPOSES OF RESEARCH AND DEVELOPMENT AND MANUFACTURING PROPERTY AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION TWELVE OF THIS SECTION THAT IS ACQUIRED BY THE TAXPAYER BY PURCHASE AS DEFINED IN SECTION 179(D) OF THE INTERNAL REVENUE CODE AND PLACED IN SERVICE DURING THE TAXABLE YEAR. PROVIDED, HOWEVER, FOR THE PURPOSES OF THIS PARAGRAPH ONLY, AN ELIGIBLE TAXPAYER SHALL BE ALLOWED A CREDIT FOR SUCH PERCENTAGE OF THE (I) ATTRIBUTABLE COST OR SIMILAR BASIS FOR FEDERAL INCOME TAX PURPOSES FOR PROPERTY USED IN THE TESTING OR INSPECTION OF MATERIALS AND PRODUCTS,

(II) THE ATTRIBUTABLE COSTS OR EXPENSES ASSOCIATED WITH QUALITY CONTROL OF THE RESEARCH AND DEVELOPMENT OR MANUFACTURING OPERATIONS,

(III) ATTRIBUTABLE FEES FOR USE OF SOPHISTICATED TECHNOLOGY FACILITIES AND PROCESSES,

(IV) ATTRIBUTABLE FEES FOR THE PRODUCTION OR EVENTUAL COMMERCIAL DISTRIBUTION OF MATERIALS AND PRODUCTS RESULTING FROM THE QUALIFIED MANUFACTURING ACTIVITIES OF AN ELIGIBLE TAXPAYER.

(V) THE COSTS, EXPENSES AND OTHER AMOUNTS FOR WHICH A CREDIT IS ALLOWED AND CLAIMED UNDER THIS PARAGRAPH SHALL NOT BE USED IN THE CALCULATION OF ANY OTHER CREDIT ALLOWED UNDER THIS ARTICLE.

(D) AN ELIGIBLE TAXPAYER SHALL BE ALLOWED A CREDIT FOR TEN PER CENTUM OF "QUALIFIED RESEARCH AND MANUFACTURING EXPENSES" PAID OR INCURRED BY THE TAXPAYER IN THE TAXABLE YEAR. FOR THE PURPOSES OF THIS SECTION, THE TERM "QUALIFIED RESEARCH AND MANUFACTURING EXPENSES" SHALL MEAN ATTRIBUTABLE EXPENSES ASSOCIATED WITH IN-HOUSE RESEARCH AND MANUFACTURING PROCESSES, AND ATTRIBUTABLE COSTS ASSOCIATED WITH THE DISSEMINATION OF THE RESULTS OF THE PRODUCTS THAT DIRECTLY RESULT FROM SUCH RESEARCH AND DEVELOPMENT AND/OR MANUFACTURING ACTIVITIES; PROVIDED, HOWEVER, THAT SUCH COSTS SHALL NOT INCLUDE ADVERTISING OR PROMOTION THROUGH PAID MEDIA. IN ADDITION, COSTS ASSOCIATED WITH THE PREPARATION OF PATENT APPLICATIONS, PATENT APPLICATION FILING FEES, PATENT RESEARCH FEES, PATENT EXAMINATIONS FEES, PATENT POST ALLOWANCE FEES, PATENT MAINTENANCE FEES, AND GRANT APPLICATION EXPENSES AND FEES SHALL BE ELIGIBLE FOR SUCH CREDIT. IN NO CASE SHALL THE CREDIT ALLOWED UNDER THIS PARAGRAPH APPLY TO EXPENSES FOR LITIGATION OR THE CHALLENGE OF ANOTHER ENTITY'S INTEL-

LECTUAL PROPERTY RIGHTS, OR FOR CONTRACT EXPENSES INVOLVING OUTSIDE PAID CONSULTANTS. THE COSTS, EXPENSES AND OTHER AMOUNTS FOR WHICH A CREDIT IS ALLOWED AND CLAIMED UNDER THIS PARAGRAPH SHALL NOT BE USED IN THE CALCULATION OF ANY OTHER CREDIT ALLOWED UNDER THIS ARTICLE.

(E) AN ELIGIBLE TAXPAYER MAY CLAIM CREDITS UNDER THIS SUBDIVISION FOR FOUR CONSECUTIVE TAXABLE YEARS. IN NO CASE SHALL THE CREDIT ALLOWED BY THIS SUBDIVISION TO A TAXPAYER EXCEED TWENTY-FIVE MILLION DOLLARS PER YEAR.

(F) THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT 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 ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE TREATED 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, THE PROVISIONS OF SUBSECTION (C) OF SECTION TEN HUNDRED EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

S 5. Section 606 of the tax law is amended by adding a new subsection (uu) to read as follows:

(UU) QUALIFIED SOLAR AND ENERGY STORAGE MANUFACTURER FACILITIES AND OPERATIONS CREDIT. (1) A TAXPAYER WHO IS A MEMBER OF AN ENTITY CONSISTING OF ONE OR MORE TAXPAYERS THAT SERVES AS THE PRINCIPAL OPERATOR OF A FACILITY PRIMARILY FUNCTIONING TO FABRICATE SOLAR ENERGY EQUIPMENT OR ENERGY STORAGE EQUIPMENT AND THAT MEETS THE ELIGIBILITY REQUIREMENTS IN PARAGRAPH TWO OF THIS SUBSECTION, SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE. THE AMOUNT OF CREDIT SHALL BE EQUAL TO THE SUM (OR PRO RATA SHARE OF THE SUM IN THE CASE OF A PARTNERSHIP) OF THE AMOUNTS SPECIFIED IN PARAGRAPHS THREE AND FOUR OF THIS SUBSECTION SUBJECT TO THE LIMITATIONS IN PARAGRAPH FIVE OF THIS SUBSECTION. FOR THE PURPOSES OF THIS SUBSECTION SOLAR ENERGY EQUIPMENT SHALL MEAN THE MANUFACTURING OF MATERIAL COMPONENTS IN NEW YORK STATE DESIGNED TO PRODUCE ELECTRICITY UTILIZING SOLAR RADIATION AS THE ENERGY SOURCE FOR SUCH ELECTRICITY; AND ENERGY STORAGE EQUIPMENT SHALL MEAN MATERIALS AND DEVICES INTENDED TO STORE SOME FORM OF ENERGY RELATED TO NEW ENERGY TECHNOLOGIES AS DESCRIBED IN SUBDIVISION ONE OF SECTION EIGHTEEN HUNDRED FIFTY-FOUR OF THE PUBLIC AUTHORITIES LAW. SUCH EQUIPMENT MAY EMPLOY ELECTRICAL, ELECTROCHEMICAL, SUPERCAPACITOR, COMPRESSED GAS, MECHANICAL, THERMAL OR OTHER MEANS SINGLY OR IN COMBINATION. THE DETERMINATION OF WHETHER SOLAR ENERGY EQUIPMENT OR ENERGY STORAGE EQUIPMENT QUALIFIES FOR ELIGIBLE COSTS UNDER THIS SUBSECTION SHALL BE DETERMINED BY THE COMMISSIONER, AND, IF REQUESTED BY THE COMMISSIONER, THE PRESIDENT OF THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY.

(2) AN ELIGIBLE ENTITY SHALL (I) HAVE MORE THAN ONE HUNDRED FULL-TIME EMPLOYEES EMPLOYED IN NEW YORK STATE, AND (II) HAVE A RATIO OF RESEARCH AND DEVELOPMENT FUNDS TO NET SALES, AS REFERRED TO IN SECTION THIRTY-ONE HUNDRED TWO-E OF THE PUBLIC AUTHORITIES LAW, WHICH EQUALS OR EXCEEDS THREE PERCENT DURING ITS TAXABLE YEAR.

(3) AN ELIGIBLE TAXPAYER SHALL BE ALLOWED A CREDIT FOR TWENTY PER CENTUM OF THE COST OR SIMILAR BASIS FOR FEDERAL INCOME TAX PURPOSES INCURRED BY THE ENTITY FOR RESEARCH AND DEVELOPMENT AND MANUFACTURING PROPERTY AS DEFINED IN PARAGRAPH (B) OF SUBDIVISION TWELVE OF SECTION TWO HUNDRED TEN OF THIS CHAPTER THAT IS ACQUIRED BY PURCHASE AS DEFINED IN SECTION 179(D) OF THE INTERNAL REVENUE CODE AND PLACED IN SERVICE DURING THE TAXABLE YEAR. PROVIDED, HOWEVER, FOR THE PURPOSES OF THIS

PARAGRAPH ONLY, AN ELIGIBLE TAXPAYER SHALL BE ALLOWED A CREDIT FOR SUCH PERCENTAGE OF THE (I) COST OR SIMILAR BASIS FOR FEDERAL INCOME TAX PURPOSES FOR PROPERTY USED IN THE TESTING OR INSPECTION OF MATERIALS AND PRODUCTS,

(II) THE COSTS OR EXPENSES ASSOCIATED WITH QUALITY CONTROL OF THE RESEARCH AND DEVELOPMENT OR MANUFACTURING OPERATIONS,

(III) FEES FOR USE OF SOPHISTICATED TECHNOLOGY FACILITIES AND PROCESSES,

(IV) FEES FOR THE PRODUCTION OR EVENTUAL COMMERCIAL DISTRIBUTION OF MATERIALS AND PRODUCTS RESULTING FROM THE ACTIVITIES OF AN ELIGIBLE TAXPAYER AS LONG AS SUCH ACTIVITIES FALL UNDER THE ACTIVITIES LISTED IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION THIRTY-ONE HUNDRED TWO-E OF THE PUBLIC AUTHORITIES LAW.

(V) THE COSTS, EXPENSES AND OTHER AMOUNTS FOR WHICH A CREDIT IS ALLOWED AND CLAIMED UNDER THIS PARAGRAPH SHALL NOT BE USED IN THE CALCULATION OF ANY OTHER CREDIT ALLOWED UNDER THIS ARTICLE.

(4) AN ELIGIBLE TAXPAYER SHALL BE ALLOWED A CREDIT FOR TEN PER CENTUM OF "QUALIFIED RESEARCH AND MANUFACTURING EXPENSES" PAID OR INCURRED BY THE ENTITY IN THE TAXABLE YEAR. FOR THE PURPOSES OF THIS SECTION, THE TERM "QUALIFIED RESEARCH AND MANUFACTURING EXPENSES" SHALL MEAN EXPENSES ASSOCIATED WITH IN-HOUSE RESEARCH AND MANUFACTURING PROCESSES, AND COSTS ASSOCIATED WITH THE DISSEMINATION OF THE RESULTS OF THE PRODUCTS THAT DIRECTLY RESULT FROM SUCH RESEARCH AND DEVELOPMENT AND/OR MANUFACTURING ACTIVITIES; PROVIDED, HOWEVER, THAT SUCH COSTS SHALL NOT INCLUDE ADVERTISING OR PROMOTION THROUGH PAID MEDIA. IN ADDITION, COSTS ASSOCIATED WITH THE PREPARATION OF PATENT APPLICATIONS, PATENT APPLICATION FILING FEES, PATENT RESEARCH FEES, PATENT EXAMINATIONS FEES, PATENT POST ALLOWANCE FEES, PATENT MAINTENANCE FEES, AND GRANT APPLICATION EXPENSES AND FEES SHALL BE ELIGIBLE FOR SUCH CREDIT. IN NO CASE SHALL THE CREDIT ALLOWED UNDER THIS PARAGRAPH APPLY TO EXPENSES FOR LITIGATION OR THE CHALLENGE OF ANOTHER ENTITY'S INTELLECTUAL PROPERTY RIGHTS, OR FOR CONTRACT EXPENSES INVOLVING OUTSIDE PAID CONSULTANTS. THE COSTS, EXPENSES AND OTHER AMOUNTS FOR WHICH A CREDIT IS ALLOWED AND CLAIMED UNDER THIS PARAGRAPH SHALL NOT BE USED IN THE CALCULATION OF ANY OTHER CREDIT ALLOWED UNDER THIS ARTICLE.

(5) AN ELIGIBLE TAXPAYER MAY CLAIM CREDITS UNDER THIS SUBSECTION FOR FOUR CONSECUTIVE TAXABLE YEARS. IN NO CASE SHALL THE CREDIT ALLOWED BY THIS SUBDIVISION TO A TAXPAYER EXCEED TWENTY-FIVE MILLION DOLLARS PER YEAR. IF THE TAXPAYER IS A PARTNER IN A PARTNERSHIP OR SHAREHOLDER OF A NEW YORK S CORPORATION, THEN THE CAP IMPOSED BY THIS PARAGRAPH SHALL BE APPLIED AT THE ENTITY LEVEL, SO THAT THE AGGREGATE CREDIT ALLOWED TO ALL THE PARTNERS, SHAREHOLDERS, OR OTHER MEMBERS OF EACH SUCH ENTITY IN THE TAXABLE YEAR DOES NOT EXCEED TWENTY-FIVE MILLION DOLLARS PER YEAR FOR UP TO FOUR CONSECUTIVE TAXABLE YEARS.

(6) IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

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

(XXXIV) CREDIT FOR QUALIFIED SOLAR AND ENERGY STORAGE MANUFACTURER FACILITIES	AMOUNT OF CREDIT UNDER SUBDIVISION TWELVE-H OF SECTION TWO HUNDRED TEN

AND OPERATIONS CREDIT
UNDER SUBSECTION (UU)

S 7. This act shall take effect immediately provided, however:

a. that sections one, two and three of this act shall apply to sales made or uses occurring on or after September 1, 2012 in accordance with the applicable transitional provisions of sections 1106 and 1217 of the tax law; and

b. section four of this act shall apply to taxable years commencing on or after January 1, 2013.

PART I

Section 1. Paragraph 1 of subdivision (a) of section 28 of the tax law, as amended by chapter 440 of the laws of 2006, is amended to read as follows:

(1) A taxpayer which is a qualified commercial production company, or which is a sole proprietor of a qualified commercial production company, and which is subject to tax under article nine-A or twenty-two of this chapter, shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision [(d)] (C) of this section, to be computed as provided in this section. Provided, however, to be eligible for such credit, at least seventy-five percent of the production costs (excluding post production costs) paid or incurred directly and predominantly in the actual filming or recording of the qualified commercial must be costs incurred in New York state. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN.

S 2. Subparagraphs (i) and (iii) of paragraph 2 of subsection (a) of section 28 of the tax law, subparagraph (i) as amended by chapter 448 of the laws of 2009 and subparagraph (iii) as amended by chapter 300 of the laws of 2007, are amended to read as follows:

(i) The state annually will disburse [three] ONE million of the total seven million in tax credits to all eligible production companies and the amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership) of twenty percent of the qualified production costs paid or incurred in the production of a qualified commercial, provided that the qualified production costs paid or incurred are attributable to the use of tangible property or the performance of services within the state in the production of such qualified commercial. To be eligible for said credit the total qualified production costs of a qualified production company must be greater in the aggregate during the current calendar year than the average of the three previous years for which the credit was applied. Provided, however, that until a qualified production company has established a three year history, the credit will be based on either the previous year or the average of the two previous years, whichever period is longer for the qualified production company seeking the credit. If the qualified production company has never applied for the growth credit, the previous year's data will be used to create a benchmark. The tax credit shall be applied only to the amount of the total qualified production costs of the current calendar year that are greater than the total amount of production costs of the appropriate measurement period as described in this subparagraph. The tax credit must be distributed to eligible production companies on a pro rata basis, provided, however, that no such qualified production company shall receive more than three hundred thousand dollars annually for such credit. The credit shall be allowed

for the taxable year in which the production of such qualified commercial is completed.

(iii) The state annually will disburse [one] THREE million of the total seven million in tax credits to all eligible production companies who film or record a qualified commercial outside of the metropolitan commuter transportation district as defined in section twelve hundred sixty-two of the public authorities law. The amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership) of five percent of the qualified production costs paid or incurred in the production of a qualified commercial, provided that the qualified production costs paid or incurred are attributable to the use of tangible property or the performance of services within the state in the production of such qualified commercial. To be eligible for said credit the total qualified production costs of a qualified production company must be greater than two hundred thousand dollars in the aggregate during the calendar year. Such credit will be applied to qualified production costs exceeding two hundred thousand dollars in a calendar year.

S 3. Paragraph (a) of subdivision 38 of section 210 of the tax law, as added by section 3 of part V of chapter 62 of the laws of 2006, is amended to read as follows:

(a) Allowance of credit. A taxpayer that is eligible pursuant to provisions of section twenty-eight of this chapter shall be allowed a credit to be computed as provided in such section against the tax imposed by this article. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN.

S 4. Paragraph 1 of subsection (jj) of section 606 of the tax law, as added by section 5 of part V of chapter 62 of the laws of 2006, is amended to read as follows:

(1) Allowance of credit. A taxpayer that is eligible pursuant to the provisions of section twenty-eight of this chapter shall be allowed a credit to be computed as provided in such section against the tax imposed by this article. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN.

S 5. Section 10 of part V of chapter 62 of the laws of 2006, relating to the empire state commercial production tax credit, is amended to read as follows:

S 10. This act shall take effect immediately [and shall apply to taxable years beginning on and after January 1, 2007 and shall expire and be deemed repealed on December 31, 2011]; provided, however that the IMB credit for energy taxes under subsection (t-1) and the state film production credit under subsection (gg) of section 606 of the tax law contained in section four of this act shall expire on the same date as provided in subdivision (a) of section 49 of part Y of chapter 63 of the laws of 2000, as amended and section 9 of part P of chapter 60 of the laws of 2004, as amended, respectively.

S 6. Notwithstanding the provisions of article 5 of the general construction law, the provisions of part V of chapter 62 of the laws of 2006, as amended, are hereby revived and shall continue in full force and effect as such provisions existed on December 31, 2011.

S 7. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after December 31, 2011.

PART J

Section 1. Subdivision 4 of section 22 of the public housing law, as amended by section 1 of part F of chapter 61 of the laws of 2011, is amended to read as follows:

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be [thirty-two] FORTY million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

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

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be [forty] FORTY-EIGHT million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

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

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be [forty-eight] FIFTY-SIX million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

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

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be [fifty-six] SIXTY-FOUR million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

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

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be [sixty-four] SEVENTY-TWO million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

S 6. Paragraph (c) of subdivision 30 of section 210 of the tax law is relettered paragraph (d) and a new paragraph (c) is added to read as follows:

(C) TREATMENT OF CREDIT. THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBDIVISION SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED, PROVIDED THAT THE CREDITS: (1) HAVE AN ELIGIBILITY STATEMENT ISSUED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL PURSUANT TO ARTICLE TWO-A OF THE PUBLIC HOUSING LAW, AND (2) ARE AVAILABLE PURSUANT TO LAW ENACTED AFTER JANUARY FIRST, TWO THOUSAND TWELVE. PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (C) OF

SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER, NO INTEREST SHALL BE PAID THEREON.

S 7. Paragraph 3 of subsection (x) of section 606 of the tax law is renumbered paragraph 4 and a new paragraph 3 is added to read as follows:

(3) TREATMENT OF CREDIT. THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED AS PROVIDED IN SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED THAT THE CREDITS: (I) HAVE AN ELIGIBILITY STATEMENT ISSUED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL PURSUANT TO ARTICLE TWO-A OF THE PUBLIC HOUSING LAW, AND (II) ARE AVAILABLE PURSUANT TO LAW ENACTED AFTER JANUARY FIRST, TWO THOUSAND TWELVE. PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

S 8. Paragraph 3 of subsection (1) of section 1456 of the tax law is renumbered paragraph 4 and a new paragraph 3 is added to read as follows:

(3) TREATMENT OF CREDIT. THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED, PROVIDED THAT THE CREDITS: (A) HAVE AN ELIGIBILITY STATEMENT ISSUED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL PURSUANT TO ARTICLE TWO-A OF THE PUBLIC HOUSING LAW, AND (B) ARE AVAILABLE PURSUANT TO LAW ENACTED AFTER JANUARY FIRST, TWO THOUSAND TWELVE. PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER, NO INTEREST SHALL BE PAID THEREON.

S 9. Paragraph 3 of subdivision (n) of section 1511 of the tax law is renumbered paragraph 4 and a new paragraph 3 is added to read as follows:

(3) TREATMENT OF CREDIT. THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBDIVISION SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED, PROVIDED THAT THE CREDITS: (A) HAVE AN ELIGIBILITY STATEMENT ISSUED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL PURSUANT TO ARTICLE TWO-A OF THE PUBLIC HOUSING LAW, AND (B) ARE AVAILABLE PURSUANT TO LAW ENACTED AFTER JANUARY FIRST, TWO THOUSAND TWELVE. PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER, NO INTEREST SHALL BE PAID THEREON.

S 10. This act shall take effect immediately; provided, however, section two of this act shall take effect April 1, 2013, section three of this act shall take effect April 1, 2014, section four of this act shall take effect April 1, 2015 and section five of this act shall take effect April 1, 2016; and provided further that sections six, seven, eight, and nine of this act shall apply to tax years commencing on or after January 1, 2012.

PART K

Section 1. Subdivision (a) of section 28 of the tax law, as amended by section 1 of part A of chapter 57 of the laws of 2010, is amended to read as follows:

(a) General. A taxpayer subject to tax under article nine, nine-A or twenty-two of this chapter shall be allowed a credit against such tax pursuant to the provisions referenced in subdivision (d) of this section. The credit (or pro rata share of earned credit in the case of a partnership) for each gallon of biofuel produced at a biofuel plant on or after January first, two thousand six shall equal fifteen cents per

gallon after the production of the first forty thousand gallons per year presented to market. The credit under this section shall be capped at two and one-half million dollars per taxpayer per taxable year for up to no more than four consecutive taxable years per biofuel plant. If the taxpayer is a partner in a partnership or shareholder of a New York S corporation, then the cap imposed by the preceding sentence shall be applied at the entity level, so that the aggregate credit allowed to all the partners or shareholders of each such entity in the taxable year does not exceed two and one-half million dollars. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND TWENTY.

S 2. Section 187-c of the tax law, as added by section 2 of part X of chapter 62 of the laws of 2006, is amended to read as follows:

S 187-c. Biofuel production credit. A taxpayer shall be allowed a credit to be computed as provided in section twenty-eight of this chapter, AS ADDED BY PART X OF CHAPTER SIXTY-TWO OF THE LAWS OF TWO THOUSAND SIX, against the tax imposed by this article. Provided, however, that the amount of such credit allowed against the tax imposed by section one hundred eighty-four of this article shall be the excess of the amount of such credit over the amount of any credit allowed by this section against the tax imposed by section one hundred eighty-three of this article. In no event shall the credit under this section be allowed in an amount which will reduce the tax payable to less than the applicable minimum tax fixed by section one hundred eighty-three or one hundred eighty-five of this article. If, however, the amount of the credit allowed under this section for any taxable year reduces the tax to such amount, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND TWENTY.

S 3. Subdivision 38 of section 210 of the tax law, as added by section 3 of part X of chapter 62 of the laws of 2006, is amended to read as follows:

38. Biofuel production credit. A taxpayer shall be allowed a credit, to be computed as provided in section twenty-eight of this chapter, AS ADDED BY PART X OF CHAPTER SIXTY-TWO OF THE LAWS OF TWO THOUSAND SIX, against the tax imposed by this article. The credit allowed under this subdivision for any taxable year shall not 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 allowed under this subdivision for any taxable year reduces the tax to such amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND TWENTY.

S 4. Subsection (jj) of section 606 of the tax law, as added by section 5 of part X of chapter 62 of the laws of 2006, is amended to read as follows:

(jj) Biofuel production credit. A taxpayer shall be allowed a credit to be computed as provided in section twenty-eight of this chapter, AS ADDED BY PART X OF CHAPTER SIXTY-TWO OF THE LAWS OF TWO THOUSAND SIX, against the tax imposed by this article. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon. THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL APPLY TO TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND TWENTY.

S 5. Section 6 of part X of chapter 62 of the laws of 2006, amending the tax law relating to providing tax credits for biofuel production plants, is amended to read as follows:

S 6. This act shall take effect immediately [and shall apply to taxable years commencing on and after January 1, 2006 and before January 1, 2013]; provided, however that the IMB credit for energy taxes under subsection (t-1) and the state film production credit under subsection (gg) of section 606 of the tax law contained in section four of this act shall expire on the same date as provided in subdivision (a) of section 49 of part Y of chapter 63 of the laws of 2000, as amended and section 9 of part P of chapter 60 of the laws of 2004, as amended, respectively.

S 6. This act shall take effect immediately.

PART L

Section 1. Section 2 of part I of chapter 58 of the laws of 2006, relating to providing an enhanced earned income tax credit, is amended to read as follows:

S 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2006 and before January 1, [2013] 2015.

S 2. This act shall take effect immediately.

PART M

Intentionally omitted

PART N

Section 1. Subsection (a) of section 801 of the tax law, as amended by section 2 of part B of chapter 56 of the laws of 2011, is amended to read as follows:

(a) For the sole purpose of providing an additional stable and reliable dedicated funding source for the metropolitan transportation authority and its subsidiaries and affiliates to preserve, operate and improve essential transit and transportation services in the metropolitan commuter transportation district, a tax is hereby imposed on EMPLOYERS AND INDIVIDUALS AS FOLLOWS: (1) FOR employers who engage in business within the MCTD [(1)], THE TAX IS IMPOSED at a rate of (A) eleven hundredths (.11) percent OF THE PAYROLL EXPENSE for employers with payroll expense no greater than three hundred seventy-five thousand dollars in any calendar quarter, (B) twenty-three hundredths (.23) percent OF THE PAYROLL EXPENSE for employers with payroll expense greater than three hundred seventy-five thousand dollars and no greater than four hundred thirty-seven thousand five hundred dollars in any calendar

quarter, and (C) thirty-four hundredths (.34) percent OF THE PAYROLL EXPENSE for employers with payroll expense in excess of four hundred thirty-seven thousand five hundred dollars in any calendar quarter[, and]. IF THE EMPLOYER IS A PROFESSIONAL EMPLOYER ORGANIZATION, AS DEFINED IN SECTION NINE HUNDRED SIXTEEN OF THE LABOR LAW, THE EMPLOYER'S TAX SHALL BE CALCULATED BY DETERMINING THE PAYROLL EXPENSE ATTRIBUTABLE TO EACH CLIENT WHO HAS ENTERED INTO A PROFESSIONAL EMPLOYER AGREEMENT WITH SUCH ORGANIZATION AND THE PAYROLL EXPENSE ATTRIBUTABLE TO SUCH ORGANIZATION ITSELF, MULTIPLYING EACH OF THOSE PAYROLL EXPENSE AMOUNTS BY THE APPLICABLE RATE SET FORTH IN THIS PARAGRAPH AND ADDING THOSE PRODUCTS TOGETHER. (2) FOR INDIVIDUALS, THE TAX IS IMPOSED at a rate of thirty-four hundredths (.34) percent of the net earnings from self-employment of individuals that are attributable to the MCTD if such earnings attributable to the MCTD exceed fifty thousand dollars for the tax year.

S 2. Section 4 of part B of chapter 56 of the laws of 2011 amending the tax law relating to the tax rates and exclusions under the metropolitan commuter transportation mobility tax is amended to read as follows:

S 4. This act shall take effect immediately AND SHALL APPLY TO TAXABLE YEARS BEGINNING ON OR AFTER JANUARY 1, 2012; provided however, that section one of this act and the amendments in section two of this act that concern employers shall take effect for the quarter beginning on April 1, 2012.

S 3. This act shall take effect immediately; provided however that the amendment in section one of this act concerning professional employer organizations shall take effect for the quarter beginning on April 1, 2012.

PART O

Section 1. Paragraph (a) of subdivision 1 of section 1003 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the board for a license so to do. Applications for licenses shall be in such form as may be prescribed by the board and shall contain such information or other material or evidence as the board may require. No license shall be issued by the board authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility per year payable by the licensee to the board for deposit into the general fund. Except as provided herein, the board shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The board may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting

corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences, homes or other areas technically capable of receiving the simulcast signal shall be a contracting party; (iii) the distribution of revenues shall be subject to contractual agreement of the parties except that statutory payments to non-contracting parties, if any, may not be reduced; provided, however, that nothing herein to the contrary shall prevent a track from televising its races on an irregular basis primarily for promotional or marketing purposes as found by the board. For purposes of this paragraph, the provisions of section one thousand thirteen of this article shall not apply. Any agreement authorizing an in-home simulcasting experiment commencing prior to May fifteenth, nineteen hundred ninety-five, may, and all its terms, be extended until June thirtieth, two thousand [twelve] THIRTEEN; provided, however, that any party to such agreement may elect to terminate such agreement upon conveying written notice to all other parties of such agreement at least forty-five days prior to the effective date of the termination, via registered mail. Any party to an agreement receiving such notice of an intent to terminate, may request the board to mediate between the parties new terms and conditions in a replacement agreement between the parties as will permit continuation of an in-home experiment until June thirtieth, two thousand [twelve] THIRTEEN; and (iv) no in-home simulcasting in the thoroughbred special betting district shall occur without the approval of the regional thoroughbred track.

S 2. Subparagraph (iii) of paragraph d of subdivision 3 of section 1007 of the racing, pari-mutuel wagering and breeding law, as amended by section 2 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

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

S 3. The opening paragraph of subdivision 1 of section 1014 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [twelve] THIRTEEN and on any day regardless of whether or not a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack after June thirtieth, two thousand [twelve] THIRTEEN. On any day on which a franchised corpo-

ration has not scheduled a racing program but a thoroughbred racing corporation located within the state is conducting racing, every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven (that have entered into a written agreement with such facility's representative horsemen's organization, as approved by the board), one thousand eight, or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state or foreign country subject to the following provisions:

S 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering and breeding law, as amended by section 4 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

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

S 5. The opening paragraph of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by section 5 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is not conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [twelve] THIRTEEN. Every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven that have entered into a written agreement with such facility's representative horsemen's organization as approved by the board, one thousand eight or one thousand nine of this article shall be authorized to accept wagers and display the live full-card simulcast signal of thoroughbred tracks (which may include quarter horse or mixed meetings provided that all such wagering on such races shall be construed to be thoroughbred races) located in another state or foreign country, subject to the following provisions; provided, however, no such written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article:

S 6. The opening paragraph of section 1018 of the racing, pari-mutuel wagering and breeding law, as amended by section 6 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

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

written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article.

S 7. Section 32 of chapter 281 of the laws of 1994, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting, as amended by section 7 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

S 32. This act shall take effect immediately and the pari-mutuel tax reductions in section six of this act shall expire and be deemed repealed on July 1, [2012] 2013; provided, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration, or repeal of any provision of law amended by any section of this act, and such provisions shall be applied or qualified or shall expire or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law; provided further, however, that sections twenty-three and twenty-five of this act shall remain in full force and effect only until May 1, 1997 and at such time shall be deemed to be repealed.

S 8. Section 54 of chapter 346 of the laws of 1990, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, as amended by section 8 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

S 54. This act shall take effect immediately; provided, however, sections three through twelve of this act shall take effect on January 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breeding law, as added by section thirty-eight of this act, shall expire and be deemed repealed on July 1, [2012] 2013; and section eighteen of this act shall take effect on July 1, 2008 and sections fifty-one and fifty-two of this act shall take effect as of the same date as chapter 772 of the laws of 1989 took effect.

S 9. Paragraph (a) of subdivision 1 of section 238 of the racing, pari-mutuel wagering and breeding law, as amended by section 9 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

(a) The franchised corporation authorized under this chapter to conduct pari-mutuel betting at a race meeting or races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, provided such tickets be presented for payment before April first of the year following the year of their purchase, less an amount which shall be established and retained by such franchised corporation of between twelve to seventeen per centum of the total deposits in pools resulting from on-track regular bets, and fourteen to twenty-one per centum of the total deposits in pools resulting from on-track multiple bets and fifteen to twenty-five per centum of the total deposits in pools resulting from on-track exotic bets and fifteen to thirty-six per centum of the total deposits in pools resulting from on-track super exotic bets, plus the breaks. The retention rate to be established is subject to the prior approval of the racing and wagering board. Such rate may not be changed more than once per calendar quarter to be effective on the first day of the calendar quarter. "Exotic bets" and "multiple bets" shall have the meanings set forth in section five hundred nineteen of this chapter. "Super exotic bets" shall have the meaning set forth in section three hundred one of this chapter. For purposes of this section, a "pick six bet" shall mean a single bet or wager on the outcomes of six races. The breaks are hereby defined as the odd cents over any multiple of five for payoffs greater than one dollar five cents but less than five dollars, over any multiple of ten for

payoffs greater than five dollars but less than twenty-five dollars, over any multiple of twenty-five for payoffs greater than twenty-five dollars but less than two hundred fifty dollars, or over any multiple of fifty for payoffs over two hundred fifty dollars. Out of the amount so retained there shall be paid by such franchised corporation to the commissioner of taxation and finance, as a reasonable tax by the state for the privilege of conducting pari-mutuel betting on the races run at the race meetings held by such franchised corporation, the following percentages of the total pool for regular and multiple bets five per centum of regular bets and four per centum of multiple bets plus twenty per centum of the breaks; for exotic wagers seven and one-half per centum plus twenty per centum of the breaks, and for super exotic bets seven and one-half per centum plus fifty per centum of the breaks. For the period June first, nineteen hundred ninety-five through September ninth, nineteen hundred ninety-nine, such tax on regular wagers shall be three per centum and such tax on multiple wagers shall be two and one-half per centum, plus twenty per centum of the breaks. For the period September tenth, nineteen hundred ninety-nine through March thirty-first, two thousand one, such tax on all wagers shall be two and six-tenths per centum and for the period April first, two thousand one through December thirty-first, two thousand [twelve] THIRTEEN, such tax on all wagers shall be one and six-tenths per centum, plus, in each such period, twenty per centum of the breaks. Payment to the New York state thoroughbred breeding and development fund by such franchised corporation shall be one-half of one per centum of total daily on-track pari-mutuel pools resulting from regular, multiple and exotic bets and three per centum of super exotic bets provided, however, that for the period September tenth, nineteen hundred ninety-nine through March thirty-first, two thousand one, such payment shall be six-tenths of one per centum of regular, multiple and exotic pools and for the period April first, two thousand one through December thirty-first, two thousand [twelve] THIRTEEN, such payment shall be seven-tenths of one per centum of such pools.

S 10. Subdivision 5 of section 1012 of the racing, pari-mutuel wagering and breeding law, as amended by section 10 of part S of chapter 61 of the laws of 2011, is amended to read as follows:

5. The provisions of this section shall expire and be of no further force and effect after June thirtieth, two thousand [twelve] THIRTEEN.

S 11. This act shall take effect immediately.

PART P

Section 1. Subdivision 3 of section 205 of the tax law, as added by section 8 of part U1 of chapter 62 of the laws of 2003, is amended to read as follows:

3. [From the] THE moneys collected from the taxes imposed by sections one hundred eighty-three and one hundred eighty-four of this article on and after April first, two thousand [four] TWELVE, after reserving amounts for refunds or reimbursements, SHALL BE DISTRIBUTED AS FOLLOWS: twenty percent of such moneys shall be deposited to the credit of the dedicated highway and bridge trust fund established by section eighty-nine-b of the state finance law[. The remainder], FIFTY-FOUR PERCENT OF SUCH MONEYS shall be deposited in the mass transportation operating assistance fund to the credit of the metropolitan mass transportation operating assistance account created pursuant to section eighty-eight-a of the state finance law AND TWENTY-SIX PERCENT OF SUCH MONEYS SHALL BE

DEPOSITED IN THE MASS TRANSPORTATION OPERATING ASSISTANCE FUND TO THE CREDIT OF THE PUBLIC TRANSPORTATION SYSTEMS OPERATING ASSISTANCE ACCOUNT CREATED PURSUANT TO SECTION EIGHTY-EIGHT-A OF THE STATE FINANCE LAW.

S 2. This act shall take effect immediately and shall be deemed to be in full force and effect on and after April 1, 2012; provided, however, that the amendments to subdivision 3 of section 205 of the tax law made by section one of this act shall not affect the repeal of such subdivision and shall be deemed to be repealed therewith.

PART Q

Section 1. Subdivision (e) of section 1105 of the tax law, as amended by section 4 of part AA of chapter 57 of the laws of 2010, is amended to read as follows:

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

(2) [When] EXCEPT AS PROVIDED IN SUBDIVISION (R) OF SECTION ELEVEN HUNDRED ELEVEN OF THIS PART, WHEN occupancy is provided, for a single consideration, with property, services, amusement charges, or any other items, the separate sale of which is not subject to tax under this article, the entire consideration shall be treated as rent subject to tax under paragraph one of this subdivision; provided, however, that where the amount of the rent for occupancy is stated separately from the price of such property, services, amusement charges, or other items, on any sales slip, invoice, receipt, or other statement given the occupant, and such rent is reasonable in relation to the value of such property, services, amusement charges or other items, only such separately stated rent will be subject to tax under paragraph one of this subdivision.

S 2. Section 1111 of the tax law is amended by adding a new subdivision (r) to read as follows:

(R) (1) IN REGARD TO THE COLLECTION OF SALES TAX ON OCCUPANCIES BY ROOM REMARKETERS, WHEN OCCUPANCY IS PROVIDED FOR A SINGLE CONSIDERATION WITH PROPERTY, SERVICES, AMUSEMENT CHARGES, OR ANY OTHER ITEMS, WHETHER OR NOT SUCH OTHER ITEMS ARE TAXABLE, THE RENT PORTION OF THE CONSIDERATION FOR SUCH TRANSACTION SHALL BE COMPUTED AS FOLLOWS: EITHER THE TOTAL CONSIDERATION RECEIVED BY THE ROOM REMARKETER MULTIPLIED BY A FRACTION, THE NUMERATOR OF WHICH SHALL BE THE CONSIDERATION PAYABLE FOR THE OCCUPANCY BY THE ROOM REMARKETER AND THE DENOMINATOR OF WHICH SHALL BE SUCH CONSIDERATION PAYABLE FOR THE OCCUPANCY PLUS THE CONSIDERATION PAYABLE BY THE REMARKETER FOR THE OTHER ITEMS BEING SOLD, OR BY ANY OTHER METHOD AS MAY BE AUTHORIZED BY THE COMMISSIONER. IF THE ROOM REMARKETER FAILS TO SEPARATELY STATE THE TAX ON THE RENT SO COMPUTED ON A SALES SLIP, INVOICE, RECEIPT, OR OTHER STATEMENT GIVEN TO THE OCCUPANT IN THE MANNER PRESCRIBED BY PARAGRAPH TWO OF THIS SUBDIVISION OR FAILS TO MAINTAIN RECORDS OF THE PRICES OF ALL COMPONENTS OF A TRANSACTION COVERED BY THIS PARAGRAPH, THE ENTIRE CONSIDERATION SHALL BE TREATED AS RENT SUBJECT TO TAX UNDER PARAGRAPH ONE OF SUBDIVISION (E) OF SECTION ELEVEN HUNDRED FIVE OF THIS PART. NOTHING HEREIN SHALL BE CONSTRUED TO SUBJECT TO TAX OR EXEMPT FROM TAX ANY SERVICE OR PROPERTY OR AMUSEMENT CHARGE OR OTHER ITEMS OTHERWISE SUBJECT TO TAX OR EXEMPT FROM TAX UNDER THIS ARTICLE OR PURSUANT TO THE AUTHORITY OF ARTICLE TWENTY-NINE OF THIS CHAPTER. A ROOM REMARKETER'S RECORDS OF THE CONSIDERATION PAYABLE FOR ALL COMPONENTS OF A TRANSACTION COVERED BY THIS PARAGRAPH ARE RECORDS

REQUIRED TO BE MAINTAINED FOR PURPOSES OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED THIRTY-FIVE OF THIS ARTICLE.

(2) IN REGARD TO THE COLLECTION OF SALES TAX ON OCCUPANCIES BY ROOM REMARKETERS, INCLUDING A TRANSACTION DESCRIBED IN PARAGRAPH ONE OF THIS SUBDIVISION, THE REQUIREMENTS OF THE SECOND SENTENCE OF PARAGRAPH ONE OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED THIRTY-TWO OF THIS ARTICLE SHALL BE DEEMED SATISFIED IF THE REMARKETER GIVES THE CUSTOMER A SALES SLIP, INVOICE, RECEIPT, OR OTHER STATEMENT OF THE PRICE ("INVOICE") PRIOR TO THE CUSTOMER'S COMPLETION OF HIS OR HER OCCUPANCY, ON WHICH THE AMOUNT OF TAX DUE UNDER THIS ARTICLE AND PURSUANT TO THE AUTHORITY OF ARTICLE TWENTY-NINE OF THIS CHAPTER IS STATED. THE ROOM REMARKETER MUST KEEP EITHER A COPY OF THE INVOICE AS REQUIRED BY SUBDIVISION (A) OF SECTION ELEVEN HUNDRED THIRTY-FIVE OF THIS ARTICLE, OR ELECTRONIC RECORDS THAT ACCURATELY REFLECT THE INFORMATION THAT IS ON THE INVOICE PROVIDED TO THE CUSTOMER.

(3) IN REGARD TO THE REPORTING AND THE PAYMENT TO THE COMMISSIONER BY ROOM REMARKETERS OF SALES TAX DUE ON OCCUPANCIES, SUBDIVISION (A) OF SECTION ELEVEN HUNDRED THIRTY-SEVEN OF THIS ARTICLE SHALL BE READ TO REQUIRE A ROOM REMARKETER TO REPORT SUCH SALES TAX DUE, INCLUDING IN REGARD TO A TRANSACTION DESCRIBED IN PARAGRAPH ONE OF THIS SUBDIVISION, ON THE RETURN DUE FOR THE FILING PERIOD IN WHICH THE OCCUPANCY ENDS AND, AT THE TIME OF FILING SUCH RETURN, TO PAY TO THE COMMISSIONER THE TOTAL AMOUNT DESCRIBED BY SUCH SUBDIVISION (A).

S 3. Subdivision (e) of section 1119 of the tax law, as added by section 5 of part AA of chapter 57 of the laws of 2010, is amended to read as follows:

(e) Subject to conditions and limitations provided in this subdivision, a room remarketer shall be allowed a refund or credit against the amount of tax collected and required to be remitted under section eleven hundred thirty-seven of this article in the amount of the tax it paid to an operator of a hotel under section eleven hundred four of this article, where applicable, and subdivision (e) of section eleven hundred five of this article. Provided, however, that, in order to qualify for a refund or credit under this subdivision for any sales tax quarterly period, the room remarketer must, for that quarter, (1) be registered for sales tax purposes under section eleven hundred thirty-four of this article; (2) collect the taxes imposed by section eleven hundred four of this article, where applicable, and subdivision (e) of section eleven hundred five of this article; and (3) furnish the certificate of authority number of the operator to whom the applicant paid the tax in its application for refund or credit if required on that form or upon request. PROVIDED THAT IF THE ROOM REMARKETER REQUESTS THE OPERATOR'S CERTIFICATE OF AUTHORITY NUMBER AND IS NOT PROVIDED WITH THAT NUMBER, THE ROOM REMARKETER MAY SATISFY THIS REQUIREMENT BY PROVIDING THE OPERATOR'S NAME, BUSINESS ADDRESS, TELEPHONE NUMBER, AND THE ADDRESS OF THE HOTEL WHERE THE OCCUPANCY TOOK PLACE. An application for refund or credit under this subdivision must be filed with the commissioner within the time provided by subdivision (a) of section eleven hundred thirty-nine of this article. The application must be in the form prescribed by the commissioner. Where an application for credit has been filed, the applicant may immediately take the credit on the return that is due coincident with or immediately subsequent to the time that the applicant files the application for credit. However, the taking of the credit on the return is deemed to be part of the application for credit. The procedure for granting or denying the applications for refund or credit and review of those determinations shall be as provided in subdivision (e) of

section eleven hundred thirty-nine of this article. An operator, including a room remarketer, who is paid tax by a room remarketer must upon request provide the remarketer with its certificate of authority number, provided that the operator's failure to do so does not change the requirement set forth in paragraph three of this subdivision.

S 4. Paragraph 4 of subdivision a of section 11-2502 of the administrative code of the city of New York, as amended by section 8 of part AA of chapter 57 of the laws of 2010, is amended to read as follows:

(4) (I) When occupancy is provided, for a single consideration, with property, services, amusement charges, or any other items, the separate sale of which is not subject to tax under this chapter, the entire consideration shall be treated as rent subject to tax under paragraph one of this subdivision; provided, however, that where the amount of the rent for occupancy is stated separately from the price of such property, services, amusement charges or other items on any sales slip, invoice, receipt, or other statement given the occupant and such rent is reasonable in relation to the value of such property, services, amusement charges, or other items, only such separately stated rent will be subject to tax under [paragraph one of] this subdivision.

(II) IN REGARD TO THE COLLECTION OF TAX ON OCCUPANCIES BY REMARKETERS, WHEN OCCUPANCY IS PROVIDED, FOR A SINGLE CONSIDERATION, WITH PROPERTY, SERVICES, AMUSEMENT CHARGES, OR ANY OTHER ITEMS, WHETHER OR NOT SUCH OTHER ITEMS ARE TAXABLE, THE RENT PORTION OF THE CONSIDERATION FOR SUCH SALE SHALL BE COMPUTED AS FOLLOWS: THE TOTAL CONSIDERATION FOR THE SALE MULTIPLIED BY A FRACTION, THE NUMERATOR OF WHICH SHALL BE THE CONSIDERATION PAID TO THE HOTEL FOR THE OCCUPANCY AND THE DENOMINATOR OF WHICH SHALL BE THE CONSIDERATION PAID TO THE HOTEL FOR THE OCCUPANCY PLUS THE CONSIDERATION PAID TO THE PROVIDERS OF THE OTHER ITEMS BEING SOLD, OR BY ANY OTHER REASONABLE METHOD PURSUANT TO WHICH THE RENT PORTION OF CONSIDERATION WOULD BE NO LESS THAN THE COMPUTATION OF RENT PORTION OF CONSIDERATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH. NOTHING HEREIN SHALL BE CONSTRUED TO SUBJECT TO TAX OR EXEMPT FROM TAX ANY SERVICE OR PROPERTY OR AMUSEMENT CHARGE OR OTHER ITEMS OTHERWISE SUBJECT TO TAX OR EXEMPT FROM TAX UNDER THIS CHAPTER.

S 5. Paragraph 5 of subdivision a of section 11-2502 of the administrative code of the city of New York, as amended by section 8 of part AA of chapter 57 of the laws of 2010, is amended to read as follows:

(5) A room remarketer shall be allowed a refund or credit against the taxes collected and required to be remitted pursuant to section 11-2505 of this chapter in the amount of the tax it paid to the operator of the hotel or another room remarketer under [paragraph three of] this subdivision. Provided, however, that in order to qualify for a refund or credit under this paragraph with respect to any quarterly period, as described in subdivision a of section 11-2504 of this chapter, the room remarketer must, with respect to such quarter, (i) be registered for hotel room occupancy tax purposes under section 11-2514 of this chapter, and (ii) collect the taxes imposed by paragraphs two and three of this subdivision. Subject to the conditions and limitations of this paragraph, the provisions of section 11-2507 of this chapter shall apply to refunds or credits under this paragraph.

S 6. Subdivision f of section 11-2502 of the administrative code of the city of New York, as amended by local law number 43 of the city of New York for the year 2009 and paragraph 2 as renumbered by section 9 of part AA of chapter 57 of the laws of 2010, is amended to read as follows:

f. The tax to be collected shall be stated [and charged] separately from the rent [and shown separately on any record thereof, at the time when the occupancy is arranged or contracted for and charged for and upon every evidence of occupancy or any bill or statement or charge made for said occupancy issued or delivered by the operator or room remarketer] ON A SALES SLIP, INVOICE, RECEIPT, OR OTHER STATEMENT OF THE PRICE ("INVOICE") GIVEN TO THE OCCUPANT PRIOR TO THE OCCUPANT'S COMPLETION OF HIS OR HER OCCUPANCY AND BE VERIFIABLE FROM THE BOOKS AND RECORDS OF AN OPERATOR OR ROOM REMARKETER RESPONSIBLE FOR COLLECTING AND REMITTING THE TAX.

(1) Where an occupant rents a room directly from an operator, the tax shall be paid by the occupant to the operator as trustee for and on account of the city, and the operator shall be liable for the collection of the tax on the rent and for the payment of the tax on the rent.

(2) The operator or room remarketer and any officer of any corporate operator or room remarketer shall be personally liable for the portion of the tax collected or required to be collected under this chapter, and the operator shall have the same right in respect to collecting the tax from the occupant, or in respect to nonpayment of the tax by the occupant as if the tax were a part of the rent for the occupancy payable at the time such tax shall become due and owing, including all rights of eviction, dispossession, repossession and enforcement of any innkeeper's lien that he or she may have in the event of nonpayment of rent by the occupant; provided however, that the commissioner of finance shall be joined as a party in any action or proceeding brought by the operator to collect or enforce collection of the tax.

S 7. This act shall take effect September 1, 2012 and shall apply to occupancies that commence on or after such date.

PART R

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

(UU) SMALL BUSINESS TAX CREDIT. (1) GENERAL. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE EQUAL TO SIX AND SIXTY-FIVE HUNDREDTHS PERCENT OF QUALIFIED BUSINESS INCOME.

(2) DEFINITIONS. FOR THE PURPOSES OF THIS SUBSECTION, THE TERM:

(A) "QUALIFIED TAXPAYER" SHALL MEAN A SOLE PROPRIETOR WHO EMPLOYS ONE OR MORE PERSONS AND WHO HAS NET BUSINESS INCOME OF LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS.

(B) "QUALIFIED BUSINESS INCOME" SHALL MEAN TEN PERCENT OF THE BUSINESS INCOME OF THE TAXPAYER AS DEFINED IN THE LAWS OF THE UNITED STATES.

(3) IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, NO INTEREST SHALL BE PAID THEREON.

S 2. Subparagraph (iv) of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 2 of part N of chapter 60 of the laws of 2007, is amended to read as follows:

(iv) for taxable years beginning on or after January first, two thousand seven AND ENDING BEFORE JANUARY FIRST, TWO THOUSAND THIRTEEN, if the entire net income base is not more than two hundred ninety thousand dollars the amount shall be six and one-half percent of the entire net income base; if the entire net income base is more than two hundred ninety thousand dollars but not over three hundred ninety thousand

dollars the amount shall be the sum of (1) eighteen thousand eight hundred fifty dollars, (2) seven and one-tenth percent of the excess of the entire net income base over two hundred ninety thousand dollars but not over three hundred ninety thousand dollars and (3) four and thirty-five hundredths percent of the excess of the entire net income base over three hundred fifty thousand dollars but not over three hundred ninety thousand dollars;

S 3. Paragraph (a) of subdivision 1 of section 210 of the tax law is amended by adding a new subparagraph (vii) to read as follows:

(VII) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, IF THE ENTIRE NET INCOME BASE IS NOT MORE THAN TWO HUNDRED NINETY THOUSAND DOLLARS THE AMOUNT SHALL BE FIVE AND TWO-TENTHS PERCENT OF THE ENTIRE NET INCOME BASE; IF THE ENTIRE NET INCOME BASE IS MORE THAN TWO HUNDRED NINETY THOUSAND DOLLARS BUT NOT OVER THREE HUNDRED NINETY THOUSAND DOLLARS THE AMOUNT SHALL BE THE SUM OF (1) FIFTEEN THOUSAND EIGHTY DOLLARS, (2) NINE AND SEVENTY-FIVE ONE-HUNDREDTHS PERCENT OF THE EXCESS OF THE ENTIRE NET INCOME BASE OVER TWO HUNDRED NINETY THOUSAND DOLLARS BUT NOT OVER THREE HUNDRED NINETY THOUSAND DOLLARS AND (3) SEVEN AND ONE-TENTHS PERCENT OF THE EXCESS OF THE ENTIRE NET INCOME BASE OVER THREE HUNDRED FIFTY THOUSAND DOLLARS BUT NOT OVER THREE HUNDRED NINETY THOUSAND DOLLARS;

S 4. The opening paragraph of subparagraph 4 of paragraph (d) of subdivision 1 of section 210 of the tax law, as added by section 2 of part AA-1 of chapter 57 of the laws of 2008, is amended to read as follows:

Notwithstanding subparagraphs one and two of this paragraph, for taxable years beginning on or after January first, two thousand eight AND ENDING BEFORE JANUARY FIRST, TWO THOUSAND THIRTEEN, the amount prescribed by this paragraph for New York S corporations will be determined in accordance with the following table:

S 5. Subparagraph 5 of paragraph (d) of subdivision 1 of section 210 of the tax law is renumbered subparagraph 6.

S 6. Paragraph (d) of subdivision 1 of section 210 of the tax law is amended by adding a new subparagraph 5 to read as follows:

(5) NOTWITHSTANDING SUBPARAGRAPHS ONE AND TWO OF THIS PARAGRAPH, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTEEN, THE AMOUNT PRESCRIBED BY THIS PARAGRAPH FOR NEW YORK S CORPORATIONS WILL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING TABLE:

IF NEW YORK RECEIPTS ARE:	THE FIXED DOLLAR MINIMUM TAX IS:
NOT MORE THAN $100,000	$1
MORE THAN $100,000 BUT NOT OVER $250,000	$1
MORE THAN $250,000 BUT NOT OVER $500,000	$1
MORE THAN $500,000 BUT NOT OVER $1,000,000	$1
MORE THAN $1,000,000 BUT NOT OVER $5,000,000	$1,000
MORE THAN $5,000,000 BUT NOT OVER $25,000,000	$3,000
OVER $25,000,000	$4,500

OTHERWISE THE AMOUNT PRESCRIBED BY THIS PARAGRAPH WILL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING TABLE:

IF NEW YORK RECEIPTS ARE:	THE FIXED DOLLAR MINIMUM TAX IS:
NOT MORE THAN $100,000	$1
MORE THAN $100,000 BUT NOT OVER $250,000	$1
MORE THAN $250,000 BUT NOT OVER $500,000	$1
MORE THAN $500,000 BUT NOT OVER $1,000,000	$1
MORE THAN $1,000,000 BUT NOT OVER $5,000,000	$1,500
MORE THAN $5,000,000 BUT NOT OVER $25,000,000	$3,500
OVER $25,000,000	$5,000

FOR PURPOSES OF THIS PARAGRAPH, NEW YORK RECEIPTS ARE THE RECEIPTS COMPUTED IN ACCORDANCE WITH SUBPARAGRAPH TWO OF PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION FOR THE TAXABLE YEAR.

S 7. Subparagraph 6 of paragraph (d) of subdivision 1 of section 210 of the tax law, as added by section 3 of part C of chapter 56 of the laws of 2011 and as renumbered by section five of this act, is amended to read as follows:

(6) For taxable years beginning on or after January first, two thousand twelve and before January first, two thousand fifteen, the amounts prescribed in subparagraphs one and [four] FIVE of this paragraph as the fixed dollar minimum tax for an eligible qualified New York manufacturer shall be one-half of the amounts stated in those subparagraphs. For purposes of this subparagraph, the term "eligible qualified New York manufacturer" shall have the same meaning as in subparagraph (vi) of paragraph (a) of this subdivision.

S 8. The tax law is amended by adding a new section 37 to read as follows:

S 37. HIRE-NOW TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER, WHICH IS SUBJECT TO TAX UNDER ARTICLE NINE-A OR TWENTY-TWO OF THIS CHAPTER AND WHICH CREATES A NEW JOB, SHALL BE ALLOWED A CREDIT AGAINST SUCH TAX. THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION SHALL BE EQUAL TO THE PRODUCT OF 6.85 PERCENT AND THE GROSS WAGES PAID FOR EACH NEW EMPLOYEE. THE CREDIT SHALL NOT BE MORE THAN FIVE THOUSAND DOLLARS FOR ANY NEW EMPLOYEE FOR ONE FULL YEAR OF EMPLOYMENT; IF A NEW EMPLOYEE HAS BEEN HIRED FOR LESS THAN A FULL TAX YEAR THIS AMOUNT SHALL BE PRORATED AND APPORTIONED TO EACH TAX YEAR BUT SHALL IN NO WAY DECREASE THE FULL THREE CONSECUTIVE YEARS OF CREDIT ELIGIBILITY. THE TAXPAYER MAY CLAIM THIS CREDIT FOR EACH NEW EMPLOYEE FOR A PERIOD OF THREE CONSECUTIVE YEARS OF EMPLOYMENT. THE TAXPAYER MAY OFFSET QUARTERLY ESTIMATED TAX RETURNS WITH THE AMOUNT OF THIS CREDIT EARNED IN ANY PREVIOUS QUARTER.

(B) UNEMPLOYMENT ENHANCEMENT. FOR CALENDAR YEARS TWO THOUSAND THIRTEEN AND TWO THOUSAND FOURTEEN IF A NEW EMPLOYEE WAS RECEIVING UNEMPLOYMENT INSURANCE BENEFITS AT THE TIME OF HIRE, AN ADDITIONAL THREE THOUSAND DOLLAR CREDIT WILL BE ALLOWED FOR THE FIRST FULL YEAR OF EMPLOYMENT.

(C) HIRE-A-VET ENHANCEMENT. FOR CALENDAR YEARS TWO THOUSAND THIRTEEN AND TWO THOUSAND FOURTEEN IF A NEW EMPLOYEE WAS RECEIVING UNEMPLOYMENT INSURANCE BENEFITS AT THE TIME OF HIRE AND IS ALSO A VETERAN, AN ADDITIONAL FIVE THOUSAND DOLLAR CREDIT WILL BE ALLOWED FOR THE FIRST FULL YEAR OF EMPLOYMENT.

(D) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(1) "NEW EMPLOYEE" SHALL MEAN ANY FULL TIME EMPLOYEE THAT CAUSES THE TOTAL NUMBER OF EMPLOYEES TO INCREASE ABOVE BASE EMPLOYMENT OR CREDIT EMPLOYMENT, WHICHEVER IS HIGHER.

(2) "BASE YEAR" SHALL MEAN CALENDAR YEAR TWO THOUSAND TWELVE.

(3) "BASE EMPLOYMENT" SHALL MEAN THE AVERAGE NUMBER OF FULL TIME EMPLOYEES OR FULL TIME EQUIVALENT EMPLOYEES DURING THE BASE YEAR. FOR A NEW BUSINESS, BASE EMPLOYMENT SHALL BEGIN AT ZERO.

(4) "CREDIT EMPLOYMENT" SHALL MEAN BASE EMPLOYMENT PLUS THE NUMBER OF NEW EMPLOYEES FOR WHICH A CREDIT IS EARNED FOR THE PRIOR TAX YEARS.

(5) "VETERAN" SHALL MEAN A RESIDENT OF THIS STATE, WHO HAS SERVED ON ACTIVE DUTY IN THE UNTIED STATES ARMY, NAVY, AIR FORCE, MARINES, COAST GUARD, AND/OR RESERVES THEREOF, AND/OR THE ARMY NATIONAL GUARD, AIR NATIONAL GUARD, NEW YORK GUARD AND/OR THE NEW YORK NAVAL MILITIA, AND WHO IS CURRENTLY IN SERVICE, OR HAS BEEN RELEASED FROM SUCH SERVICE BY

HONORABLE DISCHARGE, OR WHO HAS BEEN FURLOUGHED TO THE RESERVE AND WHO SERVED IN A WAR, ARMED CONFLICT AND/OR OTHER HOSTILITIES.

(E) REPLACEMENT EMPLOYEES. IF A NEW EMPLOYEE FOR WHICH A CREDIT WAS EARNED LEAVES THE PAYROLL AND AN EMPLOYEE IS HIRED WHICH BRINGS TOTAL EMPLOYMENT ABOVE BASE EMPLOYMENT BUT AT OR BELOW CREDIT EMPLOYMENT LEVEL, THE CREDIT ELIGIBILITY PERIOD FOR SUCH EMPLOYEE SHALL BE THREE YEARS MINUS THE AMOUNT OF TIME (ROUNDED TO THE NEXT FULL MONTH) THE EMPLOYER RECEIVED THE CREDIT FOR THE DEPARTING EMPLOYEE.

(F) NO DOUBLE CREDIT. A TAXPAYER MAY NOT BE ALLOWED A CREDIT UNDER BOTH SUBDIVISION (B) AND SUBDIVISION (C) OF THIS SECTION FOR THE SAME EMPLOYEE.

(G) NO CREDIT SHALL BE ALLOWED UNDER THIS SECTION TO A TAXPAYER FOR ANY NEW EMPLOYEE IF THE TAXPAYER CLAIMS ANY OTHER CREDIT UNDER THIS ARTICLE FOR SUCH NEW EMPLOYEE WHERE THE BASIS OF SUCH OTHER CREDIT IS AN INCREASE IN EMPLOYMENT.

S 9. Section 210 of the tax law is amended by adding a new subdivision 45 to read as follows:

45. HIRE-NOW TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER WILL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION THIRTY-SEVEN OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR MAY NOT 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 ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR WILL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING, NO INTEREST WILL BE PAID THEREON.

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

(VV) HIRE-NOW TAX CREDIT. (1) A TAXPAYER WILL BE ALLOWED A CREDIT, TO THE EXTENT ALLOWED UNDER SECTION THIRTY-SEVEN OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR EXCEEDS THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS WILL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST WILL BE PAID THEREON.

S 11. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xxxiv) to read as follows:

(XXXIV) HIRE-NOW TAX CREDIT UNDER SUBSECTION (VV)	AMOUNT OF CREDIT UNDER SUBDIVISION FORTY-FIVE OF SECTION TWO HUNDRED TEN

S 12. This act shall take effect immediately; provided that sections one, seven, eight, nine, ten and eleven of this act shall apply to taxable years beginning on or after January 1, 2013.

PART S

Section 1. The first undesignated paragraph of section 970-b of the general municipal law, as added by chapter 916 of the laws of 1984 and

such section as renumbered by chapter 686 of the laws of 1986, is amended and a new fourth undesignated paragraph is added to read as follows:

It is hereby found and declared that there exists in many communities blighted areas which threaten the economic and social well-being of the people of the state. Blighted areas are characterized by one or more of the conditions set forth in subdivision (a) of section nine hundred [sixty-c] SEVENTY-C of this article.

IT IS FURTHER FOUND AND DECLARED THAT SOUND DEVELOPMENT AND REDEVELOPMENT OF BLIGHTED AREAS INCREASES PUBLIC SCHOOL ENROLLMENT BY PROVIDING AFFORDABLE HOUSING AND EMPLOYMENT OPPORTUNITIES AND THE NEED FOR EXPANDED PUBLIC EDUCATION FACILITIES AND SERVICES.

S 2. Subdivision (b) of section 970-c of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, is amended and a new subdivision (i) is added to read as follows:

(b) "Legislative body" means (I) the governing body of a municipality empowered to adopt and amend local laws and ordinances[; provided, however, that in the case of the city of New York, the legislative body shall, for the purposes of this article be the board of estimate].

(I) "SCHOOL DISTRICT" MEANS ANY SCHOOL DISTRICT, A CITY SCHOOL DISTRICT OR A SCHOOL DISTRICT IN A CITY, AS THOSE TERMS ARE DEFINED IN SECTION 2.00 OF THE LOCAL FINANCE LAW.

S 3. The closing paragraph of section 970-e of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

The legislative body shall also provide for the review of such preliminary plans by the BOARDS OF EDUCATION OF THE SCHOOL DISTRICTS IN THE PROJECT AREA AND THE planning agency and any other agency or department of the municipality with responsibility for zoning or land use planning. Nothing in this article shall be construed to supersede the requirements and procedures for the zoning and use of land as may otherwise be prescribed by law.

S 4. Subdivisions (d), (i), (l) and (n) of section 970-f of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, are amended to read as follows:

(d) shall describe the proposed method of financing the redevelopment of the project area in detail sufficient to determine the economic feasibility of the plan, INCLUDING THE ISSUANCE OF BONDS BY THE MUNICIPALITY, INCLUSIVE OF ANY BONDS TO BE ISSUED PURSUANT TO SECTION NINE HUNDRED SEVENTY-O OF THIS ARTICLE, AND THE USE OF THE PROCEEDS FROM THEIR SALE IN CARRYING OUT THE REDEVELOPMENT PLAN. IF SUCH AN ISSUANCE IS PROVIDED FOR, THE REDEVELOPMENT PLAN SHALL ALSO CONTAIN ADEQUATE PROVISION FOR THE PAYMENT OF PRINCIPAL AND INTEREST WHEN THEY BECOME DUE AND PAYABLE;

[(i) may provide for the issuance of bonds by the municipality and for the use of the proceeds from their sale in carrying out the redevelopment plan. If such an issuance is provided for, the redevelopment plan shall also contain adequate provision for the payment of principal and interest when they become due and payable;]

(l) shall provide a limitation on the amount of bonds which may be issued pursuant to section nine hundred [sixty-o] SEVENTY-O of this article for the purpose of carrying out or administering the redevelopment plan;

(n) shall provide a plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which plan shall include the provision required by section nine hundred [sixty-j] SEVENTY-J OF THIS ARTICLE that no person or family of low and moderate income shall be displaced unless and until there is suitable housing available and ready for occupancy by such displaced person or family at rents comparable to those paid at the time of their displacement.

S 5. Section 970-g of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

S 970-g. Plan review. Before any redevelopment plan is adopted by the legislative body, it shall [submit]:

(A) [submit] SUBMIT SUCH plan to the planning agency for its review and recommendations. Such review shall consider the conformity of such redevelopment plan with any master plan which has been adopted by the planning agency and approved by the legislative body. The planning agency may recommend for or against the approval of the redevelopment plan. Within thirty days after a redevelopment plan is submitted to it for consideration, the planning agency shall make and file its review and recommendations with the legislative body. If the planning agency does not report upon the redevelopment plan within thirty days after its submission, the legislative body may thereafter approve the plan without the review and recommendations of the planning agency;

(B) SUBMIT SUCH PLAN TO THE BOARDS OF EDUCATION OF THE SCHOOL DISTRICTS IMPACTED BY THE REDEVELOPMENT PLAN FOR REVIEW AND APPROVAL OF ANY TAX ALLOCATION PURSUANT TO SECTION NINE HUNDRED SEVENTY-P OF THIS ARTICLE IN RELATION TO BONDS ISSUED UNDER SECTION NINE HUNDRED SEVENTY-O OF THIS ARTICLE. TO BE SUBJECT TO SUCH REDEVELOPMENT PLAN AND ALLOCATION OF TAXES PURSUANT TO SECTION NINE HUNDRED SEVENTY-P OF THIS ARTICLE, THE BOARD OF EDUCATION OF AN IMPACTED SCHOOL DISTRICT SHALL ADOPT A RESOLUTION APPROVING SUCH PLAN AND ALLOCATION AND TRANSMIT SUCH RESOLUTION TO THE LEGISLATIVE BODY.

S 6. Subdivisions (b), (c), and (h) of section 970-h of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, are amended to read as follows:

(b) Notice of the hearing shall be posted in at least four prominent places within the project area for a period of three weeks prior to such hearing and shall be published not less than once a week for three successive weeks prior to the hearing in a newspaper of general circulation in the municipality involved. The notice of hearing shall include a legal description of the boundaries of the PROJECT area or areas designated in the proposed redevelopment plan and a general statement of the scope and objectives of the plan. A copy of the notices shall be mailed to the last known owner of each parcel of land in the area designated in the redevelopment plan. A copy of the notice shall also be mailed to the legislative body of each of the taxing jurisdictions which levies taxes upon any real property in the project area designated in the proposed redevelopment plan.

(c) Any and all persons who have any objections to the proposed redevelopment plan or who deny the existence of blight as defined by subdivision (a) of section nine hundred [sixty-c] SEVENTY-C of this article, in the proposed project area, or the legality or appropriateness of any of the prior proceedings, may appear before the legislative body at such public hearing and show cause why the proposed plan should not be

adopted. At any time not later than the hour set for hearing objections to the proposed redevelopment plan, any person may file in writing with the clerk of the legislative body a statement of such person's objections to the proposed plan.

(h) After the adoption by the legislative body of a redevelopment plan, the legislative body shall transmit a copy of the resolution adopting the plan, and a map or plat indicating the boundaries of the project area to the SCHOOL DISTRICTS IMPACTED BY THE REDEVELOPMENT PLAN AND THE official or officials responsible for the assessment for real property tax purposes of the property included in the project area.

S 7. Section 970-m of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

S 970-m. Amendment of redevelopment plan. If at any time after the adoption of a redevelopment plan for a project area by the legislative body, it becomes necessary or desirable to amend or modify such plan, the legislative body may by resolution amend such plan. Such amendments may include a change in the boundaries of the project area to add land to or, prior to the issuance of indebtedness pursuant to section nine hundred [sixty-o] SEVENTY-O OF THIS ARTICLE as provided by such redevelopment plan, exclude land from the project area. An amendment or modification of the plan shall be approved pursuant to subdivisions (a) through (g) of section nine hundred [sixty-h] SEVENTY-H of this article AND BY ANY SCHOOL DISTRICT THAT APPROVED SUCH PLAN PURSUANT TO SUBDIVISION (B) OF SECTION NINE HUNDRED SEVENTY-G OF THIS ARTICLE. Upon adoption of the amended plan by the legislative body the legislative body shall transmit the amended plan as provided by subdivision (h) of [such] section NINE HUNDRED SEVENTY-H OF THIS ARTICLE.

S 8. Paragraphs (iii) and (iv) of subdivision (a) of section 970-n of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, are amended to read as follows:

(iii) If two or more municipalities jointly exercise the powers granted under this subdivision and a redevelopment plan as adopted provides for the allocation of real property tax revenues pursuant to section nine hundred [sixty-o] SEVENTY-O of this article the real property taxes of each municipality shall be allocated pursuant to such section.

(iv) If two or more municipalities jointly exercise the powers granted under this subdivision and the redevelopment plan as adopted provides for the issuance of indebtedness pursuant to section nine hundred [sixty-o] SEVENTY-O of this article, such indebtedness shall either be issued jointly by the municipalities and the resolution authorizing the issuance of such indebtedness must be approved by the legislative body of each municipality acting separately or shall be issued by resolution of the [the] designated agent on behalf of the municipality it represents and, by resolution of its legislative body, each municipality shall irrevocably pledge the revenues allocated pursuant to section nine hundred [sixty-p] SEVENTY-P of this article to the repayment of such indebtedness and any interest thereon.

S 9. Paragraphs (ii) and (iii) and subparagraph 1 of paragraph (v) of subdivision (b) of section 970-n of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, are amended to read as follows:

(ii) A municipal redevelopment authority shall be a corporate governmental agency constituting a public benefit corporation. Except as otherwise provided by special act of the legislature, an authority shall

consist of not less than five nor more than nine members. Membership shall be apportioned among the municipalities, and the manner of selection of a chairman determined by an intermunicipal agreement approved by local law by each such municipality. Members shall serve at the pleasure of the appointing authority, and each member shall continue to hold office until his successor is appointed and has qualified. The [governing] LEGISLATIVE body shall file with the secretary of state a certificate of appointment or reappointment of any member appointed or reappointed by it. Members shall receive no compensation for their services but shall be entitled to reimbursement of the necessary expenses, including traveling expenses, incurred in the discharge of their duties. No action shall be taken by an authority except pursuant to the favorable vote of a majority of the members then in office. Any one or more of the members of an authority may be an official or an employee of such municipality. In the event that an official or an employee of such municipality shall be appointed as a member of the agency, acceptance or retention of such appointment shall not be deemed a forfeiture of his OR HER municipal office or employment, or incompatible therewith or affect his OR HER tenure or compensation in any way. The term of office of a member of an authority who is an official or an employee of such municipality when appointed as a member thereof by special act of the legislature creating the authority shall terminate at the expiration of the term of his OR HER municipal office. Upon THE creation of an authority, from time to time the [governing] LEGISLATIVE body of a municipality, may, by resolution, appropriate sums of money to defray the expenses of the authority.

(iii) Unless otherwise provided by this subdivision or by the special act of the legislature establishing a municipal redevelopment authority or empowering an existing public corporation to carry out the purposes and provisions of this article, such authority or public corporation shall have the powers, duties and responsibilities granted a municipality and its legislative body pursuant to sections nine hundred [sixty-d] SEVENTY-D through nine hundred [sixty-m] SEVENTY-M of this article, as well as the authority to receive the taxes of each municipality allocated and paid pursuant to section nine hundred [sixty-p] SEVENTY-P of this article. Such authority or public corporation shall have the power to designate survey areas and select project areas as provided by sections nine hundred [sixty-d] SEVENTY-D and nine hundred [sixty-e] SEVENTY-E of this article. Such authority or public corporation shall obtain the report and recommendation of the planning agency of each municipality on the redevelopment plan and its conformity to the master plan of each municipality before presenting the redevelopment plan to the legislative body of each municipality. In order for a preliminary plan to be adopted or for a redevelopment plan to be adopted or amended approval must be obtained by resolution of the legislative body of each municipality acting separately.

(1) An authority or public corporation shall have the powers and duties granted municipalities pursuant to section nine hundred [sixty-o] SEVENTY-O of this article to issue tax increment bonds and tax increment bond anticipation notes. Such bonds and notes shall be bonds and notes of the authority or public corporation and neither the state nor any municipality shall be liable on such bonds and notes and such bonds and notes shall not be a debt of the state or of any municipality.

S 10. Subdivisions (a), (g) and (i) of section 970-o of the general municipal law, as added by chapter 916 of the laws of 1984 and such

section as renumbered by chapter 686 of the laws of 1986, are amended to read as follows:

(a) For the purpose of carrying out or administering a redevelopment plan adopted by the legislative body, a municipality is hereby authorized, without limiting its authority under other provisions of law, to issue by resolution of its legislative body tax increment bonds or tax increment bond anticipation notes of the municipality which are payable from and secured by real property taxes, in whole or in part, allocated to and paid pursuant to the provisions of section nine hundred [sixty-p] SEVENTY-P of this article. The pledge of such real property taxes allocated and paid shall constitute a first lien on the revenues derived therefrom and tax increment bonds or tax increment bond anticipation notes, the repayment of which is secured by such revenues shall not be subordinate to any other indebtedness of the municipality with respect to the pledge of such revenues. The municipality shall have the power to issue renewal notes, to issue bonds to pay notes and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly for any other purposes.

(g) The amount of any indebtedness contracted under this section shall be excluded in ascertaining the power of the municipality OR A SCHOOL DISTRICT to contract indebtedness within the provisions of the state constitution or the local finance law relating thereto.

(i) The municipality may [only] contract indebtedness pursuant to this section for the following objects [and] OR purposes, EACH OF WHICH SHALL BE A PUBLIC USE AND A PUBLIC PURPOSE:

(i) acquisition AND ASSEMBLAGE of land INCLUDING ENVIRONMENTAL REMEDIATION AND BROWNFIELD REDEVELOPMENT AUTHORIZED IN THE ENVIRONMENTAL CONSERVATION LAW;

(ii) demolition and removal of buildings, structures and improvements and site preparation;

(iii) installation, construction or reconstruction of streets, walkways, docks, drainage, parking facilities, flood control facilities, water and sewer systems and other [public] utilities, parks and playgrounds;

(iv) other public improvements or services integral to the redevelopment plan authorized by or for which a period of probable usefulness has been established by section 11.00 of the local finance law. [Such objects] OBJECTS and purposes REFERRED TO IN THIS SUBDIVISION shall be deemed to have the period of probable usefulness as provided GENERALLY for such objects and purposes by such section.

S 11. Paragraph (i) of subdivision (d) of section 970-o of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

(i) pledging all or a part of the taxes allocated pursuant to section nine hundred [sixty-p] SEVENTY-P of this article or the proceeds from the sale of property acquired with the proceeds of such notes or bonds to secure the payment of such notes or bonds or of any issue thereof, subject to such agreements with bondholders or noteholders as may exist;

S 12. Section 970-p of the general municipal law, as added by chapter 916 of the laws of 1984 and as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

S 970-p. Allocation of taxes. (a) Any redevelopment plan may contain a provision that real property taxes levied upon taxable real property in

the project area each year by or for the benefit of the municipality [or], municipalities OR SCHOOL DISTRICTS after the effective date of the resolution approving the redevelopment plan, shall be divided as follows:

(i) that portion of the real property taxes not in excess of the amount which would be produced by applying the rate upon which the tax is levied each year by or for each municipality AND EACH SCHOOL DISTRICT to the total sum of the assessed value of the taxable real property in the project area as shown upon the assessment roll used in connection with the taxation of such property by such municipality AND SUCH SCHOOL DISTRICT, last adopted prior to the effective date of the resolution approving such plan, shall be allocated to and when collected shall be paid into the funds of the respective municipalities AND SCHOOL DISTRICTS as real property taxes collected by or for said municipalities adopting AND SCHOOL DISTRICTS APPROVING the redevelopment plan;

(ii) that portion of the real property taxes levied each year in excess of the portion allocated and paid pursuant to paragraph (i) of this subdivision shall be allocated to and when collected shall be paid into the fund or funds established for such purposes to pay the princi-pal and interest on indebtedness incurred by such municipality pursuant to section nine hundred [sixty-o] SEVENTY-O of this article or, if the redevelopment plan so provides, the amount allocated and paid in excess of interest and principal and necessary reserves may be expended for amounts of money to be paid in lieu of taxes. Unless and until the total assessed valuation of the taxable property in a project area exceeds the total assessed value of the taxable real property in such project area as shown by the last assessment roll referred to in paragraph (i) of this subdivision, all of the real property taxes levied and collected upon the taxable real property in such project area shall be paid into the funds of the respective municipalities AND SCHOOL DISTRICTS. When such indebtedness, if any and interest thereon, have been paid, all moneys thereafter received from real property taxes upon the taxable real property in such project area shall be paid into the funds of the respective municipalities AND SCHOOL DISTRICTS as real property taxes on all other real property are paid;

(iii) whenever the total amount of real property taxes allocated pursuant to paragraph (ii) of this subdivision exceeds the amounts allo-cated and paid for interest and principal and necessary reserves, and for amounts to be paid in lieu of taxes, the amount of taxes in excess of such amounts shall be paid into the funds of the respective munici-palities AND SCHOOL DISTRICTS as taxes on all other real property are paid;

(iv) the allocation of taxes authorized by this section (1) shall apply to taxable years beginning after the effective date of the resol-ution approving the redevelopment plan.

(b) Whenever real property in any redevelopment project has been rede-veloped and thereafter is leased by the municipality to any person or persons or whenever the agency leases real property in any redevelopment project to any person or persons for redevelopment, the property shall be assessed and taxed in the same manner as privately owned real proper-ty and the lease or contract shall provide that the lessee shall pay real property taxes upon the assessed value of the entire real property and not merely the assessed value of his or her leasehold interest.

(c) In any municipality OR SCHOOL DISTRICT subject to the allocation of revenues pursuant to this section the assessed value of taxable real property located in a project area shall be included on the taxable

portion of the assessment roll, provided, however, that notwithstanding any provision of law to the contrary, the assessed value determined in accordance with paragraph (ii) of subdivision (a) of this section shall not be included in the taxable value of real property when determining the tax rate for such municipality OR SCHOOL DISTRICT.

(d) The rate of tax resulting from the levy of real property taxes shall be applied to the assessed value of any real property subject to the allocation provisions of this section as determined pursuant to subdivision (a) of this section, however, the amount of tax levied as a result of the application of the tax rate to the increase in assessed value determined in accordance with paragraph (ii) of subdivision (a) of this section shall not be paid into the fund of the municipality OR THE SCHOOL DISTRICT as real property taxes but shall be allocated pursuant to that paragraph.

(e) The official or officials responsible for the preparation of the assessment roll or rolls specified in subdivision (a) of this section shall provide to the municipality or municipalities AND SCHOOL DISTRICTS, in addition to the assessment roll or rolls, such information as is deemed necessary by the legislative bodies of the municipality or municipalities AND SCHOOL DISTRICTS to effectuate the purpose of this section.

(f) The allocation of real property taxes authorized by this section shall be permitted only with respect to municipalities [which] THAT have adopted AND SCHOOL DISTRICTS THAT HAVE APPROVED a redevelopment plan providing for such allocation pursuant to section nine hundred [sixty-h] SEVENTY-H or section nine hundred [sixty-n] SEVENTY-N of this article and such allocation shall not apply to special ad valorem levies and special assessments as defined by subdivisions fourteen and fifteen of section one hundred two of the real property tax law.

(g) If, after adoption of a redevelopment plan, the official or officials responsible for the preparation of the assessment roll or rolls specified in subdivision (a) of this section undertake to revalue real property for real property tax purposes by altering the standard of assessment utilized to establish the value of real property for assessment purposes, the assessment of real property within a project area as provided by paragraph (i) of subdivision (a) of this section shall be adjusted in such manner as if such new standard of assessment had been utilized in the preparation of the assessment roll last adopted prior to adoption of the redevelopment plan.

(H) IN ESTABLISHING A UNIFORM TAX EXEMPTION POLICY PURSUANT TO SECTION EIGHT HUNDRED SEVENTY-FOUR OF THIS CHAPTER, AN AGENCY SHALL NOT TAKE INTO ACCOUNT THE PORTION OF REAL PROPERTY TAXES MEASURED UNDER PARAGRAPH (II) OF SUBDIVISION (A) OF THIS SECTION IN COMPUTING A PAYMENT IN LIEU OF TAXES AGREEMENT.

S 13. This act shall take effect immediately.

PART T

Section 1. Subparagraph (A) of paragraph 2 of subsection (t) of section 606 of the tax law, as amended by section 1 of part N of chapter 85 of the laws of 2002, is amended to read as follows:

(A) The term "allowable college tuition expenses" shall mean the amount of qualified college tuition expenses of eligible students paid by the taxpayer during the taxable year[,]. THE AMOUNT OF QUALIFIED COLLEGE TUITION EXPENSES SHALL BE limited [to] AS FOLLOWS: FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO THOUSAND TWELVE, ten

thousand dollars for each such student, FOR TAXABLE YEARS BEGINNING IN OR AFTER TWO THOUSAND TWELVE, THIRTEEN THOUSAND EIGHT HUNDRED DOLLARS FOR EACH SUCH STUDENT;

S 2. Paragraph 4 of subsection (t) of section 606 of the tax law, as added by section 1 of part DD of chapter 63 of the laws of 2000, is amended to read as follows:

(4) Amount of credit. [If allowable college tuition expenses are less than five thousand dollars, the amount of the credit provided under this subsection shall be equal to the applicable percentage of the lesser of allowable college tuition expenses or two hundred dollars. If allowable college tuition expenses are five thousand dollars or more, the amount of the credit provided under this subsection shall be equal to the applicable percentage of the allowable college tuition expenses multiplied by four percent.] THE AMOUNT OF THE CREDIT SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING SCHEDULES:

(A) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND AND BEFORE TWO THOUSAND TWELVE:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:	THE TAX CREDIT IS EQUAL TO:
LESS THAN FIVE THOUSAND DOLLARS	THE APPLICABLE PERCENTAGE OF THE LESSER OF ALLOWABLE COLLEGE TUITION EXPENSES OR TWO HUNDRED DOLLARS
FIVE THOUSAND DOLLARS OR MORE	THE APPLICABLE PERCENTAGE OF ALLOWABLE COLLEGE TUITION EXPENSES MULTIPLIED BY FOUR PERCENT

(B) FOR TAXABLE YEARS BEGINNING IN OR AFTER TWO THOUSAND TWELVE:

IF ALLOWABLE COLLEGE TUITION EXPENSES ARE:	THE TAX CREDIT IS EQUAL TO:
LESS THAN SIX THOUSAND NINE HUNDRED DOLLARS	THE LESSER OF ALLOWABLE COLLEGE TUITION EXPENSES OR TWO HUNDRED SEVENTY-FIVE DOLLARS
SIX THOUSAND NINE HUNDRED DOLLARS OR MORE	THE ALLOWABLE COLLEGE TUITION EXPENSES MULTIPLIED BY FOUR PERCENT

Such applicable percentage shall be twenty-five percent for taxable years beginning in two thousand one, fifty percent for taxable years beginning in two thousand two, seventy-five percent for taxable years beginning in two thousand three and one hundred percent for taxable years beginning after two thousand three.

S 3. Subsection (t) of section 606 of the tax law is amended by adding a new paragraph 4-a to read as follows:

(4-A) INFLATION ADJUSTMENT. (A) FOR TAXABLE YEARS BEGINNING IN OR AFTER TWO THOUSAND THIRTEEN, THE DOLLAR AMOUNTS IN SUBPARAGRAPH (A) OF PARAGRAPH TWO AND PARAGRAPH FOUR OF THIS SUBSECTION SHALL BE MULTIPLIED BY ONE PLUS THE INFLATION ADJUSTMENT.

(B) THE INFLATION ADJUSTMENT FOR ANY TAX YEAR SHALL BE THE PERCENTAGE, IF ANY, BY WHICH THE HIGHER EDUCATION PRICE INDEX FOR THE ACADEMIC FISCAL YEAR ENDING IN THE IMMEDIATELY PRECEDING TAX YEAR EXCEEDS THE HIGHER EDUCATION PRICE INDEX FOR THE ACADEMIC FISCAL YEAR ENDING JUNE TWO THOUSAND TWELVE. FOR THE PURPOSES OF THIS PARAGRAPH, THE HIGHER EDUCATION PRICE INDEX MEANS THE HIGHER EDUCATION PRICE INDEX PUBLISHED BY THE COMMONFUND INSTITUTE.

(C) IF THE PRODUCT OF THE AMOUNTS IN SUBPARAGRAPH (A) AND SUBPARAGRAPH (B) OF THIS PARAGRAPH IS NOT A MULTIPLE OF FIVE DOLLARS, SUCH INCREASE SHALL BE ROUNDED TO THE NEXT MULTIPLE OF FIVE DOLLARS.

S 4. This act shall take effect immediately.

PART U

Section 1. Paragraph (a) of subdivision 6 of section 18-a of the public service law, as added by section 4 of part NN of chapter 59 of the laws of 2009, is amended to read as follows:

(a) Notwithstanding any provision of law to the contrary, and subject to the exceptions provided for in paragraph (b) of this subdivision, for the state fiscal year beginning on April first, two thousand nine and [four] THREE state fiscal years thereafter, a temporary annual assessment (hereinafter "temporary state energy and utility service conservation assessment") is hereby imposed on public utility companies (including for the purposes of this subdivision municipalities other than municipalities as defined in section eighty-nine-l of this chapter), corporations (including for purposes of this subdivision the Long Island power authority), and persons subject to the commission's regulation (hereinafter such public utility companies, corporations, and persons are referred to collectively as the "utility entities") to encourage the conservation of energy and other resources provided through utility entities, to be assessed in the manner provided in this subdivision; provided, however, that such assessment shall not be imposed upon telephone corporations as defined in subdivision seventeen of section two of this article.

S 2. Section 6 of part NN of chapter 59 of the laws of 2009, amending the public service law relating to financing operations of the department of public service is amended to read as follows:

S 6. This act shall take effect immediately; provided, however, that subdivision 6 of section 18-a of the public service law, as added by section four of this act shall take effect April 1, 2009 and shall expire and be deemed repealed March 31, [2014] 2013; and provided, further, that if section four of this act shall become law after April 1, 2009, it shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2009.

S 3. Paragraph (g) of subdivision 2 of section 18-a of the public service law, as amended by section 2 of part NN of chapter 59 of the laws of 2009, is amended to read as follows:

(g) The total amount which may be charged to any public utility company under authority of this subdivision for any state fiscal year shall not exceed ONE-THIRD OF one per centum of such public utility company's gross operating revenues derived from intrastate utility operations in the last preceding calendar year, or other twelve month period as determined by the chairman; provided, however, that no corporation or person that is subject to the jurisdiction of the commission only with respect to safety, or the power authority of the state of New York, shall be subject to the general assessment provided for under this subdivision.

S 4. This act shall take effect immediately and shall be deemed to have been in full force and effect on the same date and in the same manner as part NN of chapter 59 of the laws of 2009 took effect; provided that the amendment to paragraph (a) of subdivision 6 of section 18-a of the public service law made by section one of this act shall not affect the expiration and repeal of such subdivision 6 and shall expire and be deemed repealed therewith; and provided further that section three of this act shall take effect April 1, 2013.

PART V

Section 1. Paragraph (a) of subdivision 1 of section 195 of the labor law, as amended by chapter 564 of the laws of 2010, is amended to read as follows:

(a) provide his or her employees, in writing in English and in the language identified by each employee as the primary language of such employee, at the time of hiring, [and on or before February first of each subsequent year of the employee's employment with the employer,] a notice containing the following information: the rate or rates of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or other; allowances, if any, claimed as part of the minimum wage, including tip, meal, or lodging allowances; the regular pay day designated by the employer in accordance with section one hundred ninety-one of this article; the name of the employer; any "doing business as" names used by the employer; the physical address of the employer's main office or principal place of business, and a mailing address if different; the telephone number of the employer; plus such other information as the commissioner deems material and necessary. Each time the employer provides such notice to an employee, the employer shall obtain from the employee a signed and dated written acknowledgement, in English and in the primary language of the employee, of receipt of this notice, which the employer shall preserve and maintain for six years. Such acknowledgement shall include an affirmation by the employee that the employee accurately identified his or her primary language to the employer, and that the notice provided by the employer to such employee pursuant to this subdivision was in the language so identified or otherwise complied with paragraph (c) of this subdivision, and shall conform to any additional requirements established by the commissioner with regard to content and form. For all employees who are not exempt from overtime compensation as established in the commissioner's minimum wage orders or otherwise provided by New York state law or regulation, the notice must state the regular hourly rate and overtime rate of pay;

S 2. This act shall take effect immediately.

PART W

Section 1. Short title. This act shall be known and may be cited as the "honesty in permit processing act".

S 2. The executive law is amended by adding a new section 164-e to read as follows:

S 164-E. LICENSE AND PERMIT APPLICATION PROCESSING; ANNUAL REPORTS. 1. FOR THE PURPOSES OF THIS SECTION:

(A) "PERMIT" SHALL MEAN ANY PERMIT, LICENSE, CERTIFICATION, REGISTRATION OR APPROVAL ISSUED BY A STATE AGENCY, WHICH IS REQUIRED BY LAW, RULE OR REGULATION.

(B) "STATE AGENCY" SHALL MEAN ANY DEPARTMENT, BOARD, BUREAU, COMMISSION, DIVISION, AUTHORITY, OFFICE, COUNCIL OR AGENCY OF THE STATE.

2. EVERY STATE AGENCY, WHICH PROCESSES AND ISSUES ONE HUNDRED OR MORE PERMITS DURING A CALENDAR YEAR, SHALL, ON OR BEFORE FEBRUARY FIFTEENTH EACH YEAR, ISSUE AND PUBLISH A REPORT ON ITS PERMIT PROCESSING TIME PERIODS DURING THE PRECEDING CALENDAR YEAR, WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO:

(A) THE AVERAGE TIME IT TOOK TO PROCESS APPLICATIONS FOR EACH SPECIFIC TYPE OF PERMIT FROM THE RECEIPT OF THE APPLICATION THEREFOR UNTIL THE ISSUANCE OR DENIAL OF SUCH PERMIT; AND

(B) THE SHORTEST AND LONGEST PERIODS OF TIME IT TOOK TO PROCESS AN APPLICATION FOR EACH SPECIFIC TYPE OF PERMIT.

3. THE REPORT REQUIRED BY SUBDIVISION TWO OF THIS SECTION SHALL BE SUBMITTED TO THE GOVERNOR AND THE LEGISLATURE, AND BE PUBLISHED AND DISTRIBUTED, IN BOTH WRITTEN AND ELECTRONIC FORMS, FOR ACCESS BY THE PUBLIC. EACH STATE AGENCY SHALL POST, ON ITS INTERNET HOMEPAGE, THE MOST RECENT REPORT IT HAS ISSUED PURSUANT TO SUBDIVISION TWO OF THIS SECTION.

4. THE INFORMATION COMPILED PURSUANT TO SUBDIVISION TWO OF THIS SECTION, FOR EACH SPECIFIC PERMIT SHALL BE PRINTED ON THE COVER PAGE OF THE APPLICATION FOR SUCH PERMIT.

5. EACH STATE AGENCY SHALL ANNUALLY PROCESS APPLICATIONS FOR PERMITS WITHIN A TIME PERIOD WHICH IS EQUAL TO OR LESS THAN ONE HUNDRED THIRTY-FOUR PERCENT OF THE AVERAGE TIME PERIOD FOR PROCESSING APPLICATIONS FOR THAT TYPE OF PERMIT DURING THE PRECEDING CALENDAR YEAR. IN ANY INSTANCE IN WHICH A STATE AGENCY FAILS TO PROCESS AN APPLICATION WITHIN SUCH TIME PERIOD, SUCH AGENCY SHALL IMMEDIATELY REFUND TO THE PERMIT APPLICANT ALL CHARGES AND FEES IMPOSED AS A CONDITION OF SUBMITTING SUCH PERMIT APPLICATION.

S 3. This act shall take effect on the first of April next succeeding the date on which it shall have become a law.

PART X

Section 1. Paragraph (a) of subdivision 12-G of section 210 of the tax law, as amended by section 1-a of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(a) A taxpayer that is a qualified emerging technology company pursuant to the provisions of section thirty-one hundred two-e [(and specifically for the activities referenced in paragraph (b) of subdivision one of such section thirty-one hundred two-e)] of the public authorities law, and that meets the eligibility requirements in paragraph (b) of this subdivision, shall be allowed a credit against the tax imposed by this article. The amount of credit shall be equal to the sum of the amounts specified in paragraphs (c), (d), and (e) of this subdivision subject to the limitations in paragraph (f) of this subdivision.

S 2. Paragraph (h) of subdivision 12-G of section 210 of the tax law, as amended by section 1-a of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(h) The credit allowed under this subdivision shall not be applicable for taxable years beginning on or after January first, two thousand [twelve] THIRTEEN.

S 3. Paragraph 1 of subsection (nn) of section 606 of the tax law, as amended by section 1-a of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(1) A taxpayer that is a qualified emerging technology company pursuant to the provisions of section thirty-one hundred two-e [(and specifically for the activities referenced in paragraph (b) of subdivision one of such section thirty-one hundred two-e)] of the public authorities law, and that meets the eligibility requirements in paragraph two of this subsection, shall be allowed a credit against the tax imposed by this article. The amount of credit shall be equal to the sum (or pro rata share of the sum in the case of a partnership) of the amounts specified in paragraphs three, four, and five of this subsection, subject to the limitations in paragraph six of this subsection.

S 4. Paragraph 8 of subsection (nn) of section 606 of the tax law, as amended by section 1-a of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(8) The credit allowed under this subsection shall not be applicable for taxable years beginning on or after January first, two thousand [twelve] THIRTEEN.

S 5. This act shall take effect immediately, provided, however, that sections one and three of this act shall apply to tax years beginning on or after January 1, 2006.

PART Y

Section 1. Subdivision (e) of section 15 of the tax law, as separately amended by section 19 of part W of chapter 56 and section 13 of part R of chapter 57 of the laws of 2010, is amended to read as follows:

(e) Eligible real property taxes. The term "eligible real property taxes" means taxes imposed on real property which is owned by the QEZE and located in an empire zone with respect to which the QEZE is certified pursuant to article eighteen-B of the general municipal law, provided such taxes are paid by the QEZE which is the owner of the real property or are paid by a tenant which either (i) does not meet the eligibility requirements under section fourteen of this article to be a QEZE or (ii) cannot treat such payment as eligible real property taxes pursuant to this paragraph and such taxes become a lien on the real property during a taxable year in which the owner of the real property is both certified pursuant to article eighteen-B of the general municipal law and a qualified empire zone enterprise. For purposes of this subdivision, the term "tax" means a charge imposed upon real property by or on behalf of a county, city, town, village or school district for municipal or school district purposes, provided that the charge is levied for the general public welfare by the proper taxing authorities at a like rate against all property in the territory over which such authorities have jurisdiction, and provided that where taxes are levied pursuant to article eighteen or article nineteen of the real property tax law, the property must have been taxed at the rate determined for the class in which it is contained, as provided by such article eighteen or nineteen, whichever is applicable. The term "tax" does not include a charge for local benefits, including any portion of that charge that is properly allocated to the costs attributable to maintenance or interest, when (1) the property subject to the charge is limited to the property that benefits from the charge, or (2) the amount of the charge is determined by the benefit to the property assessed, or (3) the improvement for which the charge is assessed tends to increase the property value. In addition, "eligible real property taxes" shall include taxes paid by a QEZE which is a lessee of real property if the following conditions are satisfied: (1) the taxes must be paid by the lessee pursuant to explicit requirements in a written lease executed or amended on or after June first, two thousand five, (2) such taxes become a lien on the real property during a taxable year in which the lessee of the real property is both certified pursuant to article eighteen-B of the general municipal law and a qualified empire zone enterprise, and (3) the lessee has made direct payment of such taxes to the taxing authority and has received a receipt for such payment of taxes from the taxing authority. In addition, the term "eligible real property taxes" includes payments in lieu of taxes made by the QEZE to the state, a municipal corporation or a public benefit corporation pursuant to a written agreement entered into between the QEZE and the state, municipal corporation, or public benefit corporation. IN ADDITION, THE TERM "ELIGIBLE REAL PROPERTY TAXES" SHALL INCLUDE PAYMENTS IN LIEU OF TAXES MADE BY A QEZE, WHERE A

QEZE IS NOT THE OWNER OF THE LAND AND NOT A PARTY TO THE PAYMENT IN LIEU OF TAXES AGREEMENT, UNDER THE FOLLOWING CONDITIONS: (A) THE PAYMENTS IN LIEU OF TAXES MUST BE PAID EITHER: (I) BY THE LESSEE TO THE LESSOR PURSUANT TO REQUIREMENTS IN A WRITTEN LEASE; OR (II) DIRECTLY TO THE COUNTY, CITY, TOWN, VILLAGE OR SCHOOL DISTRICT BY THE QEZE TO SATISFY A PAYMENT IN LIEU OF TAXES AGREEMENT TO WHICH THE LESSOR IS A PARTY; AND (B) NO OTHER TAXPAYER HAS BEEN GRANTED CREDITS UNDER THIS SECTION FOR THE SAME REAL PROPERTY TAXES PAID. Provided, however, a payment in lieu of taxes made by the QEZE pursuant to a written agreement executed or amended on or after January first, two thousand one, shall not constitute eligible real property taxes in any taxable year to the extent that such payment exceeds the product of (A) the greater of (i) the basis for federal income tax purposes, calculated without regard to depreciation, determined as of the effective date of the QEZE's certification pursuant to article eighteen-B of the general municipal law of real property, including buildings and structural components of buildings, owned by the QEZE and located in empire zones with respect to which the QEZE is certified pursuant to such article eighteen-B of the general municipal law, and provided that if such basis is further adjusted or reduced pursuant to any provision of the internal revenue code, the QEZE may petition the department and the department of economic development to disregard such reduction or adjustment for the purpose of this subdivision or (ii) the basis for federal income tax purposes of such real property described in clause (i) of this subparagraph, calculated without regard to depreciation, on the last day of the taxable year, and provided that if such basis is further adjusted or reduced pursuant to any provision of the internal revenue code, the QEZE may petition the department, the department of economic development and the office of real property services to disregard such reduction or adjustment for the purpose of this subdivision; and (B) the estimated effective full value tax rate within the county in which such property is located, as most recently calculated by the commissioner. The commissioner shall annually calculate estimated effective full value tax rates within each county for this purpose based upon the most current information available to him or her in relation to county, city, town, village and school district taxes.

S 2. The provisions of this act shall only apply to taxpayers that claimed the credit under section 15 of the tax law for any tax year beginning after January 1, 2006 and before January 1, 2011 and were subsequently denied the credit in any of those tax years.

S 3. This act shall take effect immediately and shall apply to tax years beginning on or after January 1, 2006 but shall not alter any taxpayer's benefit period.

PART Z

Section 1. Subparagraph (B) of paragraph 1 of subsection (b) of section 605 of the tax law, as amended by chapter 28 of the laws of 1987, is amended to read as follows:

(B) who is not domiciled in this state but maintains a permanent place of abode in this state and spends in the aggregate more than one hundred eighty-three days of the taxable year in this state, unless such individual is in active service in the armed forces of the United States. FOR PURPOSES OF THIS SUBPARAGRAPH, A PERMANENT PLACE OF ABODE SHALL NOT INCLUDE A DWELLING THAT IS OWNED, LEASED, OR MAINTAINED BY THE INDIVIDUAL OR THE INDIVIDUAL'S SPOUSE WHERE SUCH DWELLING IS NOT USED AS THE

INDIVIDUAL'S PRINCIPAL RESIDENCE AND THE INDIVIDUAL STAYS OVERNIGHT AT SUCH DWELLING FOR NO MORE THAN NINETY DAYS DURING THE TAXABLE YEAR.

S 2. This act shall take effect immediately and shall be applicable to all open tax years.

PART AA

Section 1. The civil practice law and rules is amended by adding a new section 5519-a to read as follows:

S 5519-A. STAY OF ENFORCEMENT FOR TOBACCO PRODUCT MASTER SETTLEMENT AGREEMENT PARTICIPATING OR NON-PARTICIPATING MANUFACTURERS OR THEIR SUCCESSORS OR AFFILIATES. (A) IN CIVIL LITIGATION UNDER ANY LEGAL THEORY INVOLVING A PARTICIPATING MANUFACTURER OR A NON-PARTICIPATING MANUFACTURER, AS THOSE TERMS ARE DEFINED IN THE MASTER SETTLEMENT AGREEMENT, OR ANY OF THEIR SUCCESSORS OR AFFILIATES, THE UNDERTAKING REQUIRED DURING THE PENDENCY OF ALL APPEALS OR DISCRETIONARY REVIEWS BY ANY APPELLATE COURTS IN ORDER TO STAY THE EXECUTION OF ANY JUDGMENT OR ORDER GRANTING LEGAL, EQUITABLE OR OTHER RELIEF DURING THE ENTIRE COURSE OF APPELLATE REVIEW, INCLUDING REVIEW BY THE UNITED STATES SUPREME COURT, SHALL BE SET PURSUANT TO THE APPLICABLE PROVISIONS OF LAW OR COURT RULES; PROVIDED, HOWEVER THAT THE TOTAL UNDERTAKING REQUIRED OF ALL APPELLANTS COLLECTIVELY SHALL NOT EXCEED ONE HUNDRED MILLION DOLLARS, REGARDLESS OF THE VALUE OF THE JUDGMENT APPEALED.

(B) NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION (A) OF THIS SECTION, UPON PROOF BY A PREPONDERANCE OF THE EVIDENCE, BY AN APPELLEE, THAT AN APPELLANT IS DISSIPATING ASSETS OUTSIDE THE COURSE OF ORDINARY BUSINESS TO AVOID PAYMENT OF A JUDGMENT, A COURT MAY REQUIRE THE APPELLANT TO POST A BOND IN AN AMOUNT UP TO THE TOTAL AMOUNT OF THE JUDGMENT.

S 2. This act shall take effect on the thirtieth day after it shall have become a law, and shall apply to any cause of action pending on or filed on or after such effective date.

PART BB

Section 1. Short title. This act shall be known and may be cited as the "economic development liaison act".

S 2. The tax law is amended by adding a new section 3014 to read as follows:

S 3014. OFFICE OF NEW YORK IS OPEN FOR BUSINESS. (A) THERE SHALL BE ESTABLISHED IN THE DEPARTMENT AN OFFICE TO BE KNOWN AS THE "OFFICE OF NEW YORK IS OPEN FOR BUSINESS". SUCH OFFICE SHALL BE UNDER THE SUPERVISION AND DIRECTION OF AN OFFICIAL KNOWN AS THE "ECONOMIC DEVELOPMENT LIAISON". THE ECONOMIC DEVELOPMENT LIAISON SHALL BE APPOINTED BY THE GOVERNOR BY AND WITH THE ADVICE AND CONSENT OF THE SENATE. THE ECONOMIC DEVELOPMENT LIAISON SHALL REPORT DIRECTLY TO THE COMMISSIONER OF ECONOMIC DEVELOPMENT. THE ECONOMIC DEVELOPMENT LIAISON SHALL DEVOTE HIS OR HER ENTIRE TIME TO THE DUTIES OF SUCH OFFICE.

(B) NO PERSON SHALL BE APPOINTED AS AN ECONOMIC DEVELOPMENT LIAISON UNLESS AT THE TIME OF SUCH PERSON'S APPOINTMENT SUCH PERSON IS A RESIDENT OF THE STATE AND IS KNOWLEDGEABLE ON THE SUBJECT OF TAXATION AND IS SKILLFUL IN MATTERS PERTAINING THERETO. ONCE APPOINTED AND CONFIRMED, THE ECONOMIC DEVELOPMENT LIAISON SHALL CONTINUE IN OFFICE UNTIL SUCH PERSON'S TERM EXPIRES AND UNTIL SUCH PERSON'S SUCCESSOR HAS BEEN APPOINTED AND HAS QUALIFIED. THE TERM OF OFFICE SHALL BE FOUR YEARS.

(C) ANY ECONOMIC DEVELOPMENT LIAISON MAY BE REMOVED BY THE GOVERNOR FOR CAUSE AFTER AN OPPORTUNITY TO BE HEARD. A STATEMENT OF THE CAUSE OF

SUCH PERSON'S REMOVAL SHALL BE FILED BY THE GOVERNOR IN THE OFFICE OF THE SECRETARY OF STATE.

(D) IN THE EVENT OF A VACANCY CAUSED BY THE DEATH, RESIGNATION, REMOVAL OR DISABILITY OF THE ECONOMIC DEVELOPMENT LIAISON, THE VACANCY SHALL BE FILLED BY THE GOVERNOR BY AND WITH THE ADVICE AND CONSENT OF THE SENATE FOR THE UNEXPIRED TERM.

(E)(1) THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS SHALL HAVE THE FOLLOWING FUNCTIONS, POWERS AND DUTIES:

(I) TO ASSIST BUSINESS TAXPAYERS, WHO ARE APPLYING FOR ECONOMIC DEVELOPMENT TAX CREDITS, IN RESOLVING PROBLEMS WITH THE DEPARTMENT;

(II) TO IDENTIFY AREAS IN WHICH BUSINESS TAXPAYERS, WHO APPLY FOR ECONOMIC DEVELOPMENT TAX CREDITS, ARE HAVING PROBLEMS IN DEALING WITH THE DEPARTMENT;

(III) TO PROPOSE SOLUTIONS, INCLUDING ADMINISTRATIVE CHANGES TO PRACTICES AND PROCEDURES OF THE DEPARTMENT PERTAINING TO ECONOMIC DEVELOPMENT TAX CREDITS;

(IV) TO RECOMMEND LEGISLATIVE ACTION AS MAY BE APPROPRIATE TO RESOLVE PROBLEMS ENCOUNTERED BY BUSINESS TAXPAYERS APPLYING ECONOMIC DEVELOPMENT TAX CREDITS;

(V) TO PRESERVE AND PROMOTE THE RIGHTS OF THE TAXPAYER;

(VI) TO PROMOTE OPEN AND DIRECT COMMUNICATIONS BETWEEN TAXATION AND FINANCE AND ECONOMIC DEVELOPMENT; AND

(VII) TO APPOINT SUCH OFFICERS AND EMPLOYEES AS IT MAY REQUIRE FOR THE PERFORMANCE OF ITS DUTIES.

(2) THE ECONOMIC DEVELOPMENT LIAISON SHALL PREPARE AN ANNUAL REPORT AS TO THE ACTIVITIES OF THE ECONOMIC DEVELOPMENT LIAISON. SUCH REPORT SHALL BE SUBMITTED TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY AND THE COMMISSIONER NO LATER THAN THE THIRTY-FIRST DAY OF DECEMBER COMMENCING IN THE YEAR TWO THOUSAND TWELVE AND EVERY YEAR THEREAFTER. ANY SUCH REPORT SHALL CONTAIN FULL AND SUBSTANTIVE ANALYSIS, IN ADDITION TO STATISTICAL INFORMATION, AND SHALL:

(I) IDENTIFY THE INITIATIVES THE ECONOMIC DEVELOPMENT LIAISON HAS TAKEN ON IMPROVING BUSINESS TAXPAYER SERVICES AND THE DEPARTMENT'S RESPONSIVENESS;

(II) CONTAIN A SUMMARY OF AT LEAST FIFTEEN OF THE MOST SERIOUS PROBLEMS ENCOUNTERED BY TAXPAYERS, INCLUDING A DESCRIPTION OF THE NATURE OF SUCH PROBLEMS;

(III) CONTAIN AN INVENTORY OF THE ITEMS DESCRIBED IN SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH FOR WHICH ACTION HAS BEEN TAKEN AND THE RESULT OF SUCH ACTION; AN INVENTORY FOR WHICH ACTION REMAINS TO BE COMPLETED; AND AN INVENTORY FOR WHICH NO ACTION HAS BEEN TAKEN AND THE REASONS FOR THE INACTION;

(IV) CONTAIN RECOMMENDATIONS FOR SUCH ADMINISTRATIVE AND LEGISLATIVE ACTION AS MAY BE APPROPRIATE TO RESOLVE PROBLEMS ENCOUNTERED BY TAXPAYERS; AND

(V) INCLUDE SUCH OTHER INFORMATION AS THE ECONOMIC DEVELOPMENT LIAISON MAY DEEM ADVISABLE.

(F) NOTWITHSTANDING ANY PROVISION OF THIS CHAPTER, THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS, THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND THE DEPARTMENT OF TAXATION AND FINANCE SHALL BE ALLOWED AND ARE DIRECTED TO SHARE AND EXCHANGE INFORMATION REGARDING BUSINESS ECONOMIC DEVELOPMENT CREDITS APPLIED FOR, ALLOWED, OR CLAIMED PURSUANT TO THIS ARTICLE, INCLUDING INFORMATION CONTAINED IN OR DERIVED FROM CREDIT CLAIM FORMS SUBMITTED TO THE DEPARTMENT OF TAXATION AND FINANCE.

S 3. Subdivisions 1, 3 and 4 of section 170 of the tax law, subdivisions 1 and 3 as amended by chapter 282 of the laws of 1986 and subdivi-

sion 4 as amended by chapter 283 of the laws of 1986, are amended to read as follows:

1. The existing department of taxation and finance and its present functions are continued. The head of the department of taxation and finance shall be the commissioner of taxation and finance who shall have sole charge of the administration of such department except with regard to the administration of the division of tax appeals which shall be the sole charge of the tax appeals tribunal authorized by article forty of this chapter AND THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS AUTHORIZED BY SECTION THREE THOUSAND FOURTEEN OF THIS CHAPTER. The commissioner [of taxation and finance] shall be appointed by the governor by and with the advice and consent of the senate and shall hold office as commissioner [of taxation and finance] until the end of the term of the governor by whom he was appointed and until his successor has been appointed and has qualified.

3. The commissioner [of taxation and finance] may establish such additional divisions and bureaus as he may deem necessary. He may appoint the heads of such divisions and bureaus and fix their duties and he may consolidate, alter or abolish any divisions or bureaus, except that such commissioner shall have no such authority or power with regard to the division of tax appeals AND THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS.

4. The commissioner [of taxation and finance] may appoint and remove such officers, assistants and other employees as he may deem necessary for the exercise of the powers and duties of the department, all of whom shall be in the classified civil service unless otherwise provided by law; and he may prescribe their duties, and fix their compensation within the amounts appropriated therefor. The commissioner [of taxation and finance] may transfer officers or employees from their positions to other positions in the department, or abolish or consolidate such positions. He shall have all powers necessary to perform the duties conferred upon him regarding the state lottery authorized by article thirty-four of this chapter. However, the commissioner [of taxation and finance] shall have no power to appoint or remove any personnel of the division of tax appeals OR OF THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS nor shall such commissioner have any power or authority with regard to the operation and administration of such division OR OFFICE including any power or authority over such division's OR OFFICE'S budget. The commissioner shall furnish to the director of the division of the budget the itemized estimates of the financial needs of the division of tax appeals AND THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS prepared by the tax appeals tribunal AND THE OFFICE OF NEW YORK IS OPEN FOR BUSINESS. Such itemized estimates may not be revised or altered in any manner by the commissioner.

S 4. This act shall take effect immediately.

PART CC

Section 1. Paragraph 1 of subsection (e) of section 7709 of the insurance law, as added by chapter 802 of the laws of 1985, is amended to read as follows:

(1) The total assessment against all member insurers for all impairments and insolvencies, less the amount of refunds (not including interest) to member insurers pursuant to subsection (f) of this section, shall not exceed five hundred SEVENTY-FIVE million dollars.

S 2. This act shall take effect immediately.

PART DD

Section 1. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 39 to read as follows:

(39) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN THE AMOUNT OF QUALIFIED TRANSPORTATION FRINGE BENEFITS INCLUDED IN FEDERAL ADJUSTED GROSS INCOME, TO THE EXTENT THAT SUCH QUALIFIED TRANSPORTATION FRINGE BENEFITS WOULD HAVE BEEN EXCLUDED FROM GROSS INCOME PURSUANT TO PARAGRAPH FIVE OF SUBSECTION (A) OF SECTION ONE HUNDRED THIRTY-TWO OF THE INTERNAL REVENUE CODE HAD THE FLUSH SENTENCE OF PARAGRAPH TWO OF SUBSECTION (F) OF SECTION ONE HUNDRED THIRTY-TWO OF THE INTERNAL REVENUE CODE THAT WAS IN EFFECT ON DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN CONTINUED IN EFFECT AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN; PROVIDED, HOWEVER, THAT IF SUBPARAGRAPH (A) OF PARAGRAPH TWO OF SUBSECTION (F) OF SECTION ONE HUNDRED THIRTY-TWO OF THE INTERNAL REVENUE CODE IS AMENDED SO THAT FOR ANY MONTH THE DOLLAR AMOUNT IN EFFECT UNDER SUCH SUBPARAGRAPH (A) IS GREATER THAN THE DOLLAR AMOUNT IN EFFECT UNDER SUBPARAGRAPH (B) OF PARAGRAPH TWO OF SUBSECTION (F) OF SECTION ONE HUNDRED THIRTY-TWO FOR THE SAME MONTH, THE FLUSH SENTENCE OF PARAGRAPH TWO THAT WAS IN EFFECT ON DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN SHALL BE DEEMED TO PROVIDE THAT THE DOLLAR AMOUNT IN EFFECT FOR SUBPARAGRAPH (B) SHALL BE APPLIED AS IF THE DOLLAR AMOUNT THEREIN WERE THE SAME AS THE DOLLAR AMOUNT IN EFFECT FOR SUCH MONTH UNDER SUBPARAGRAPH (A). NOTWITHSTANDING THE FOREGOING, IF, PURSUANT TO THIS PARAGRAPH, THE AMOUNT THAT WOULD BE IN EFFECT FOR ANY MONTH UNDER SUBPARAGRAPH (A) OR (B) OF PARAGRAPH TWO OF SUBSECTION (F) OF SECTION ONE HUNDRED THIRTY-TWO OF THE INTERNAL REVENUE CODE IS LESS THAN ONE HUNDRED SEVENTY-FIVE DOLLARS, SUBPARAGRAPHS (A) AND (B) SHALL BE APPLIED AS IF THE DOLLAR AMOUNT IN EFFECT FOR SUCH MONTH UNDER SUCH SUBPARAGRAPHS WAS ONE HUNDRED SEVENTY-FIVE DOLLARS.

S 2. This act shall take effect immediately.

PART EE

Section 1. Subparagraph (A) of paragraph 1 of subsection (oo) of section 606 of the tax law, as amended by chapter 472 of the laws of 2010, is amended to read as follows:

(A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a) (2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed [five] TWELVE million dollars. For taxable years beginning on or after January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a)(2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state; provided, however, the credit shall not exceed one hundred thousand dollars.

S 2. Subparagraph (A) of paragraph 1 of subdivision 40 of section 210 of the tax law, as amended by chapter 472 of the laws of 2010, is amended to read as follows:

(A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a) (2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed [five] TWELVE million dollars. For taxable years beginning on or after January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a)(2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars.

S 3. Subparagraph (A) of paragraph 1 of subsection (u) of section 1456 of the tax law, as added by chapter 472 of the laws of 2010, is amended to read as follows:

(A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a)(2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed [five] TWELVE million dollars. For taxable years beginning on or after January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a)(2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars.

S 4. Subparagraph (A) of paragraph (1) of subdivision (y) of section 1511 of the tax law, as added by chapter 472 of the laws of 2010, is amended to read as follows:

(A) For taxable years beginning on or after January first, two thousand ten and before January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to one hundred percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a)(2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed [five] TWELVE million dollars. For taxable years beginning on or after January first, two thousand fifteen, a taxpayer shall be allowed a credit as hereinafter provided, against the tax imposed by this article, in an amount equal to thirty percent of the amount of credit allowed the taxpayer with respect to a certified historic structure under subsection (a)(2) of section 47 of the federal internal revenue code with respect to a certified historic structure located within the state. Provided, however, the credit shall not exceed one hundred thousand dollars.

S 5. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2012.

PART FF

Section 1. Paragraph 1 of subdivision (a) of section 1115 of the tax law, as amended by section 1 of part O of chapter 63 of the laws of 2000, is amended to read as follows:

(1) Food, food products, beverages, dietary foods and health supplements, sold for human consumption but not including (i) candy and confectionery, (ii) fruit drinks which contain less than seventy percent of natural fruit juice, (iii) soft drinks, sodas and beverages such as are ordinarily dispensed at soda fountains or in connection therewith (other than coffee, tea and cocoa) and (iv) beer, wine or other alcoholic beverages, all of which shall be subject to the retail sales and compensating use taxes, whether or not the item is sold in liquid form. The food and drink excluded from the exemption provided by this paragraph under subparagraphs (i), (ii) and (iii) of this paragraph shall be exempt under this paragraph when sold for [seventy-five cents] ONE DOLLAR AND FIFTY CENTS or less through any vending machine activated by the use of coin, currency, credit card or debit card. With the exception of the provision in this paragraph providing for an exemption for certain food or drink sold for [seventy-five cents] ONE DOLLAR AND FIFTY CENTS or less through vending machines, nothing herein shall be construed as exempting food or drink from the tax imposed under subdivision (d) of section eleven hundred five OF THIS ARTICLE.

S 2. This act shall take effect January 1, 2013.

PART GG

Section 1. Paragraphs 3 and 4 of subsection (b) of section 800 of the tax law, paragraph 3 as amended and paragraph 4 as added by section 1 of part B of chapter 56 of the laws of 2011, are amended and two new paragraphs 5 and 6 are added to read as follows:

(3) an interstate agency or public corporation created pursuant to an agreement or compact with another state or the Dominion of Canada; [or]

(4) [Any] ANY eligible educational institution. An "eligible educational institution" shall mean any public school district, a board of cooperative educational services, a public elementary or secondary school, a school approved pursuant to article eighty-five or eighty-nine of the education law to serve students with disabilities of school age, or a nonpublic elementary or secondary school that provides instruction in grade one or above[.];

(5) ANY PUBLIC OR FREE ASSOCIATION LIBRARY AS DEFINED IN SUBDIVISION TWO OF SECTION TWO HUNDRED FIFTY-THREE OF THE EDUCATION LAW OR LIBRARY SYSTEM AS DEFINED IN SECTION TWO HUNDRED SEVENTY-TWO OF THE EDUCATION LAW; OR

(6) ANY TOWN OR VILLAGE.

S 2. This act shall take effect on the same date and in the same manner as section 1 of part B of chapter 56 of the laws of 2011 takes effect.

PART HH

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

(UU) TAX CREDIT FOR VICTIMS OF HURRICANE IRENE AND TROPICAL STORM LEE. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT FOR TAXA-

BLE YEAR TWO THOUSAND TWELVE, TO BE COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) AMOUNT OF CREDIT. (A) THE AMOUNT OF THE CREDIT SHALL BE EQUAL TO THE AMOUNT OF SCHOOL TAXES PAID FOR THE TWO THOUSAND ELEVEN-TWO THOUSAND TWELVE SCHOOL YEAR AND THE AMOUNT OF ANY CITY, VILLAGE, TOWN AND COUNTY TAXES PAID IN TAXABLE YEAR TWO THOUSAND TWELVE WITH RESPECT TO ANY PROPERTY WHICH RECEIVED SUBSTANTIAL DAMAGE AS A RESULT OF HURRICANE IRENE OR TROPICAL STORM LEE IN TWO THOUSAND ELEVEN.

(B) FOR PURPOSES OF THIS SUBSECTION, THE TERM "SUBSTANTIAL DAMAGE" MEANS DAMAGE OF ANY ORIGIN SUSTAINED BY A STRUCTURE WHEREBY THE COST OF RESTORING THE STRUCTURE TO ITS BEFORE DAMAGED CONDITION WOULD EQUAL OR EXCEED FIFTY PERCENT OF THE MARKET VALUE OF THE STRUCTURE BEFORE THE DAMAGE OCCURRED.

(3) ELIGIBILITY. (A) THE CREDIT SHALL ONLY BE ALLOWED WHERE THE AFFECTED PROPERTY IS LOCATED IN A COUNTY IN THIS STATE WHICH WAS DECLARED A FEDERAL DISASTER AREA AND IS ELIGIBLE TO RECEIVE FEDERAL AID OR ASSISTANCE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY AS A RESULT OF HURRICANE IRENE OR TROPICAL STORM LEE IN TWO THOUSAND ELEVEN.

(B) THE CREDIT UNDER THIS SUBSECTION SHALL ONLY BE ALLOWED IF THE PROPERTY IS CONSIDERED THE TAXPAYER'S PRIMARY RESIDENCE.

(4) APPLICATION OF CREDIT. IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBSECTION SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

S 2. This act shall take effect immediately.

PART II

Section 1. Subdivisions 2, 3, 4, 5 and 6 of section 4 of chapter 912 of the laws of 1920 relating to the regulation of boxing, sparring and wrestling, subdivisions 2 and 6 as amended by chapter 437 of the laws of 2002 and subdivisions 3, 4 and 5 as added by chapter 603 of the laws of 1981, are amended to read as follows:

2. The advisory board shall have power and it shall be the duty of the board to prepare and submit to the commission for approval regulations and standards for the physical examination of professional boxers AND PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS including, without limitation, pre-fight and/or post-fight examinations and periodic comprehensive examinations. The board shall continue to serve in an advisory capacity to the commission and from time to time prepare and submit to the commission for approval, such additional regulations and standards of examination as in their judgment will safeguard the physical welfare of professional boxers licensed by the commission. The advisory board shall recommend to the commission from time to time such qualified physicians, for the purpose of conducting physical examinations of professional boxers AND PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS and other services as the rules of the commission shall provide; and shall recommend to the commission a schedule of fees to be paid to physicians for such examinations and other services as required by this act.

3. The advisory board shall develop appropriate medical education programs for all commission personnel involved in the conduct of boxing and sparring matches or exhibitions OR PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS so that such personnel can recognize and act upon evidence of potential or actual adverse medical indications in a participant prior to or during the course of a match OR EXHIBITION.

4. The advisory board shall review the credentials and performance of each commission physician on an annual basis as a condition of reappointment of each such physician, including each such physician's comprehension of the medical literature on boxing OR PROFESSIONAL COMBATIVE SPORTS referred to in subdivision five of this section.

5. The advisory board shall recommend to the commission a compilation of medical publications on the medical aspects of boxing OR PROFESSIONAL COMBATIVE SPORTS which shall be maintained by the commission and be made available for review to all commission personnel involved in the conduct of any boxing or sparring match or exhibition OR PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION.

6. The advisory board shall also advise the commission on any study of equipment, procedures or personnel which will, in their opinion, promote the safety of boxing participants AND PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS.

S 2. Section 5-a of chapter 912 of the laws of 1920 relating to the regulation of boxing, sparring and wrestling, as added by chapter 14 of the laws of 1997, is amended to read as follows:

S 5-a. Combative sports. 1. DEFINITIONS. AS USED IN THIS SECTION:

(A) "BOARD" MEANS MEDICAL ADVISORY BOARD AS ESTABLISHED IN SECTION FOUR OF THIS ACT.

(B) A "combative sport" shall mean any professional match or exhibition other than boxing, sparring, wrestling or martial arts wherein the contestants deliver, or are not forbidden by the applicable rules thereof from delivering kicks, punches or blows of any kind to the body of an opponent or opponents. For the purposes of this section, the term "martial arts" shall include any professional match or exhibition OF A SINGLE DISCIPLINE sanctioned by AN ORGANIZATION APPROVED BY THE COMMISSION, INCLUDING, BUT NOT LIMITED TO, any of the following organizations: U.S. Judo Association, U.S. Judo, Inc., U.S. Judo Federation, U.S. Tae Kwon Do Union, North American Sport Karate Association, U.S.A. Karate Foundation, U.S. Karate, Inc., World Karate Association, Professional Karate Association, Karate International, International Kenpo Association, or World Wide Kenpo Association. The commission [is authorized to] SHALL promulgate regulations which would establish a process to allow for the inclusion or removal of martial arts organizations from the above list. Such process shall include but not be limited to consideration of the following factors: [(a)] (1) is the organization's primary purpose to provide instruction in self defense techniques; [(b)] (2) does the organization require the use of hand, feet and groin protection during any competition or bout; and [(c)] (3) does the organization have an established set of rules that require the immediate termination of any competition or bout when any participant has received severe punishment or is in danger of suffering serious physical injury.

(C) "COMMISSION" MEANS THE STATE ATHLETIC COMMISSION AS PROVIDED FOR IN SECTION ONE OF THIS CHAPTER OR AN AGENT OF THE COMMISSION ACTING ON ITS BEHALF.

(D) "MIXED MARTIAL ARTS" MEANS ANY PROFESSIONAL COMBATIVE SPORTS COMPETITION WHEREIN THE RULES OF SUCH COMPETITION SUBJECT TO THE APPLICABLE LIMITATIONS AS SET FORTH BY THE COMMISSION AUTHORIZE PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS BETWEEN VARIOUS FIGHTING DISCIPLINES, INCLUDING THE UTILIZATION OF PERMITTED MARTIAL ARTS TECHNIQUES, INCLUDING STRIKING, KICKING AND GRAPPLING. NO NON-PROFESSIONAL OR AMATEUR BOUT, EXHIBITION OR PARTICIPANT SHALL BE AUTHORIZED BY THIS SECTION.

(E) "PROFESSIONAL COMBATIVE SPORTS PARTICIPANT" OR "PARTICIPANT" SHALL MEAN A COMBATIVE SPORTS FIGHTER WHO COMPETES FOR A MONEY PRIZE OR TEACHES OR PURSUES OR ASSISTS IN THE PRACTICE OF MIXED MARTIAL ARTS AS A MEANS OF OBTAINING A LIVELIHOOD OR PECUNIARY GAIN, AND ANY CONTEST CONFORMING TO THE RULES, REGULATIONS AND REQUIREMENTS OF THIS SECTION.

(F) "PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION" SHALL MEAN ANY MATCH OR EXHIBITION THAT MUST BE APPROVED BY THE COMMISSION WHERE PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS RECEIVE CONSIDERATION OF ANY VALUE OR AN ADMISSION IS CHARGED.

1-A. COMMISSION REVIEW. THE COMMISSION SHALL REVIEW EACH MARTIAL ARTS SANCTIONING ORGANIZATION, INCLUDING THOSE LISTED IN SUBDIVISION ONE OF THIS SECTION, AT LEAST BIENNIALLY, OR SOONER IF DETERMINED NECESSARY BASED UPON THE PERIODIC COMPLIANCE CHECKS OR COMPLAINTS TO THE COMMISSION, TO DETERMINE CONTINUATION OF THE COMMISSION'S APPROVAL. THE COMMISSION SHALL CONTINUE APPROVAL OR SHALL SUSPEND OR REVOKE APPROVAL BASED UPON COMPLIANCE OF THE ORGANIZATION WITH THE APPROVED SANCTIONING STANDARDS AND ITS ABILITY TO SUPERVISE MATCHES IN THE STATE. THE COMMISSION SHALL ACT UPON ANY APPLICATION FOR INCLUSION IN THE LIST IN PARAGRAPH (B) OF SUBDIVISION ONE OF THIS SECTION WITHIN SIXTY DAYS OF THE DATE SUCH APPLICATION IS MADE TO THE COMMISSION.

1-B. MIXED MARTIAL ARTS COMPETITION. THE COMMISSION SHALL PROMULGATE RULES AND REGULATIONS TO ALLOW FOR MIXED MARTIAL ARTS COMPETITIONS TO BE CONDUCTED, HELD, OR GIVEN WITHIN THE STATE OF NEW YORK AND SHALL ALLOW FOR LICENSES TO BE APPROVED BY THE COMMISSION FOR SUCH MATCHES OR EXHIBITIONS. THE COMMISSION IS AUTHORIZED TO PROMULGATE RULES AND REGULATIONS TO CARRY OUT THE PROVISIONS OF THIS SUBDIVISION. SUCH RULES AND REGULATIONS SHALL INCLUDE, BUT NOT BE LIMITED TO, THE ADOPTION OF UNIFIED RULES OF MIXED MARTIAL ARTS, A LICENSING PROCESS FOR MATCHES AND EXHIBITIONS, A FEE SCHEDULE FOR SUCH LICENSES, PROCEDURES TO ALLOW FOR THE PARTICIPATION, PROMOTION, AND ADVANCEMENT OF SUCH EVENTS, THE HEALTH AND SAFETY OF PARTICIPANTS, AND THE BEST INTERESTS OF MIXED MARTIAL ARTS AND THE ADOPTION OF RULES AND REGULATIONS FOR LICENSING AND REGULATION OF ANY AND ALL GYMS, CLUBS, TRAINING CAMPS AND OTHER ORGANIZATIONS THAT MAINTAIN TRAINING FACILITIES PROVIDING CONTACT SPARRING FOR PERSONS WHO PREPARE FOR PARTICIPATION IN SUCH PROFESSIONAL COMBATIVE SPORTS OR EXHIBITIONS, EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION.

(B) THE COMMISSION IS AUTHORIZED AND DIRECTED TO REQUIRE THAT ALL SITES WHEREIN PROFESSIONAL COMBATIVE SPORTS ARE CONDUCTED SHALL COMPLY WITH STATE AND APPLICABLE LOCAL SANITARY CODES APPROPRIATE TO SCHOOL ATHLETIC FACILITIES.

2. [No combative sport shall be conducted, held or given within the state of New York, and no licenses may be approved by the commission for such matches or exhibitions.

3. (a) A person who knowingly advances or profits from a combative sport activity shall be guilty of a class A misdemeanor, and shall be guilty of a class E felony if he or she has been convicted in the previous five years of violating this subdivision.

(b) A person advances a combative sport activity when, acting other than as a spectator, he or she engages in conduct which materially aids any combative sport. Such conduct includes but is not limited to conduct directed toward the creation, establishment or performance of a combative sport, toward the acquisition or maintenance of premises, paraphernalia, equipment or apparatus therefor, toward the solicitation or inducement of persons to attend or participate therein, toward the actual conduct of the performance thereof, toward the arrangement of any of its financial or promotional phases, or toward any other phase of a

combative sport. One advances a combative sport activity when, having substantial proprietary or other authoritative control over premises being used with his or her knowledge for purposes of a combative sport activity, he or she permits such to occur or continue or makes no effort to prevent its occurrence or continuation.

(c) A person profits from a combative sport activity when he or she accepts or receives money or other property with intent to participate in the proceeds of a combative sport activity, or pursuant to an agreement or understanding with any person whereby he or she participates or is to participate in the proceeds of a combative sport activity.

(d) Any person who knowingly advances or profits from a combative sport activity shall also be subject to a civil penalty not to exceed for the first violation ten thousand dollars or twice the amount of gain derived therefrom whichever is greater, or for a subsequent violation twenty thousand dollars or twice the amount of gain derived therefrom whichever is greater. The attorney general is hereby empowered to commence judicial proceedings to recover such penalties and to obtain injunctive relief to enforce the provisions of this section.] PROFESSIONAL COMBATIVE SPORTS MATCHES AND EXHIBITIONS AUTHORIZED. NO COMBATIVE SPORTS MATCH OR EXHIBITION SHALL BE CONDUCTED, HELD OR GIVEN WITHIN THE STATE EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION AND THE RULES AND REGULATIONS PROMULGATED BY THE COMMISSION PURSUANT THERETO. THE COMMISSION SHALL DIRECT A REPRESENTATIVE TO BE PRESENT AT EACH PLACE WHERE COMBATIVE SPORTS ARE TO BE HELD PURSUANT TO THE PROVISIONS OF THIS SECTION. SUCH REPRESENTATIVE SHALL ASCERTAIN THE EXACT CONDITIONS SURROUNDING SUCH MATCH OR EXHIBITION AND MAKE A WRITTEN REPORT OF THE SAME IN THE MANNER AND FORM PRESCRIBED BY THE COMMISSION. SUCH COMBATIVE SPORTS MATCHES OR EXHIBITIONS MAY BE HELD IN ANY BUILDING FOR WHICH THE COMMISSION IN ITS DISCRETION MAY ISSUE A LICENSE. WHERE SUCH MATCH OR EXHIBITION IS AUTHORIZED TO BE HELD IN A STATE OR CITY OWNED ARMORY, THE PROVISION OF THE MILITARY LAW IN RESPECT THERETO MUST BE COMPLIED WITH, BUT NO SUCH MATCH OR EXHIBITION SHALL BE HELD IN A BUILDING WHOLLY USED FOR RELIGIOUS SERVICES.

3. JURISDICTION OF COMMISSION. (A) THE COMMISSION SHALL HAVE AND HEREBY IS VESTED WITH THE SOLE DIRECTION, MANAGEMENT, CONTROL AND JURISDICTION OVER ALL PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS TO BE CONDUCTED, HELD OR GIVEN WITHIN THE STATE OF NEW YORK AND OVER ALL LICENSES TO ANY AND ALL PERSONS WHO PARTICIPATE IN SUCH COMBATIVE SPORTS MATCHES OR EXHIBITIONS AND OVER ANY AND ALL GYMS, CLUBS, TRAINING CAMPS AND OTHER ORGANIZATIONS THAT MAINTAIN TRAINING FACILITIES PROVIDING CONTACT SPARRING FOR PERSONS WHO PREPARE FOR PARTICIPATION IN SUCH PROFESSIONAL COMBATIVE SPORTS OR EXHIBITIONS, EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION.

(B) THE COMMISSION IS AUTHORIZED AND DIRECTED TO REQUIRE THAT ALL SITES WHEREIN PROFESSIONAL COMBATIVE SPORTS ARE CONDUCTED SHALL COMPLY WITH STATE AND APPLICABLE LOCAL SANITARY CODES APPROPRIATE TO SCHOOL ATHLETIC FACILITIES.

4. ENTITIES REQUIRED TO PROCURE LICENSES; PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS DEFINED. EXCEPT AS OTHERWISE PROVIDED IN SUBDIVISION SIX OF THIS SECTION, ALL CORPORATIONS, PERSONS, LIMITED LIABILITY COMPANIES, REFEREES, JUDGES, CORPORATION TREASURERS, PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS, THEIR MANAGERS, PROMOTERS, TRAINERS AND CHIEF SECONDS SHALL BE LICENSED BY THE COMMISSION, AND NO SUCH ENTITY SHALL BE PERMITTED TO PARTICIPATE, EITHER DIRECTLY OR INDIRECTLY, IN ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION, OR THE HOLDING THEREOF, UNLESS SUCH ENTITY SHALL HAVE FIRST PROCURED A LICENSE FROM THE COMMIS-

SION. THE COMMISSION SHALL ESTABLISH BY RULE AND REGULATION LICENSING STANDARDS FOR REFEREES, JUDGES, MANAGERS, PROMOTERS, TRAINERS AND CHIEF SECONDS. ANY MATCH OR EXHIBITION CONFORMING TO THE RULES, REGULATIONS AND REQUIREMENTS OF THIS SECTION SHALL BE DEEMED TO BE A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION.

5. LICENSE TO ENTITIES. (A) THE COMMISSION MAY, IN ITS DISCRETION, ISSUE A LICENSE TO CONDUCT OR HOLD PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS, SUBJECT TO THE PROVISIONS HEREOF, TO ANY PERSON, CORPORATION OR LIMITED LIABILITY COMPANY DULY INCORPORATED OR FORMED, HEREINAFTER REFERRED TO AS "ENTITY".

(B) A PROSPECTIVE LICENSEE MUST SUBMIT TO THE COMMISSION PROOF THAT IT CAN FURNISH SUITABLE PREMISES IN WHICH SUCH MATCH OR EXHIBITION IS TO BE HELD.

(C) UPON WRITTEN APPLICATION AND THE PAYMENT OF A FEE OF FIVE HUNDRED DOLLARS WHICH MUST ACCOMPANY THE APPLICATION, THE COMMISSION MAY GRANT TO ANY ENTITY HOLDING A LICENSE ISSUED HEREUNDER, THE PRIVILEGE OF HOLDING SUCH A MATCH OR EXHIBITION ON A SPECIFIED DATE IN OTHER PREMISES, OR IN ANOTHER LOCATION, THAN THE PREMISES OF LOCATION PREVIOUSLY APPROVED BY THE COMMISSION, SUBJECT HOWEVER TO APPROVAL OF THE COMMISSION AND THE RULES AND REGULATIONS OF THE COMMISSION.

(D) ALL PENALTIES IMPOSED AND COLLECTED BY THE COMMISSION FROM ANY ENTITY LICENSED UNDER THE PROVISIONS OF THIS ACT, WHICH FINES AND PENALTIES ARE IMPOSED AND COLLECTED UNDER THE AUTHORITY HEREBY VESTED SHALL WITHIN THIRTY DAYS AFTER THE RECEIPT THEREOF BY THE COMMISSION BE PAID BY THEM INTO THE STATE TREASURY.

6. TEMPORARY WORKING PERMITS FOR PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS, MANAGERS, TRAINERS AND CHIEF SECONDS. THE COMMISSION MAY ISSUE TEMPORARY WORKING PERMITS TO PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS, THEIR MANAGERS, TRAINERS AND CHIEF SECONDS. A TEMPORARY WORKING PERMIT SHALL AUTHORIZE THE EMPLOYMENT OF THE HOLDER OF SUCH PERMIT TO ENGAGE IN A SINGLE MATCH OR EXHIBITION AT A SPECIFIED TIME AND PLACE. A TEMPORARY WORKING PERMIT MAY BE ISSUED IF IN THE JUDGMENT OF THE COMMISSION THE PARTICIPATION OF THE HOLDER THEREOF IN A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION WILL BE CONSISTENT WITH THE PURPOSES AND PROVISIONS OF THIS SECTION, THE BEST INTERESTS OF COMBATIVE SPORTS GENERALLY, AND THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY. THE COMMISSION MAY REQUIRE THAT PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS APPLYING FOR TEMPORARY WORKING PERMITS UNDERGO A PHYSICAL EXAMINATION, NEUROLOGICAL OR NEUROPSYCHOLOGICAL TEST OR PROCEDURE, INCLUDING COMPUTED TOMOGRAPHY OR MEDICALLY EQUIVALENT PROCEDURE. THE FEE FOR SUCH TEMPORARY WORKING PERMIT SHALL BE TWENTY DOLLARS.

7. LICENSE FEES; TERM OF LICENSES; RENEWALS. EACH APPLICANT FOR A PROMOTER LICENSE SHALL, BEFORE A LICENSE IS ISSUED BY THE COMMISSION, PAY TO THE COMMISSION, AN ANNUAL LICENSE FEE AS FOLLOWS: WHERE THE SEATING CAPACITY IS NOT MORE THAN TWO THOUSAND FIVE HUNDRED, FIVE HUNDRED DOLLARS; WHERE THE SEATING CAPACITY IS MORE THAN TWO THOUSAND FIVE HUNDRED BUT NOT MORE THAN FIVE THOUSAND, ONE THOUSAND DOLLARS; WHERE THE SEATING CAPACITY IS MORE THAN FIVE THOUSAND BUT NOT MORE THAN FIFTEEN THOUSAND, ONE THOUSAND FIVE HUNDRED DOLLARS; WHERE THE SEATING CAPACITY IS MORE THAN FIFTEEN THOUSAND BUT NOT MORE THAN TWENTY-FIVE THOUSAND, TWO THOUSAND FIVE HUNDRED DOLLARS; WHERE THE SEATING CAPACITY IS MORE THAN TWENTY-FIVE THOUSAND, THREE THOUSAND FIVE HUNDRED DOLLARS; REFEREE, ONE HUNDRED DOLLARS; JUDGES, ONE HUNDRED DOLLARS; PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS, FIFTY DOLLARS; MANAGERS, FIFTY DOLLARS; TRAINERS, FIFTY DOLLARS; AND CHIEF SECONDS, FORTY DOLLARS. EACH LICENSE OR RENEWAL THEREOF ISSUED PURSUANT TO THIS SUBDIVISION ON OR AFTER OCTO-

BER FIRST SHALL BE EFFECTIVE FOR A LICENSE YEAR EXPIRING ON THE THIRTIETH DAY OF SEPTEMBER FOLLOWING THE DATE OF ITS ISSUANCE. THE ANNUAL LICENSE FEE PRESCRIBED BY THIS SUBDIVISION SHALL BE THE LICENSE FEE DUE AND PAYABLE THEREFOR AND SHALL BE PAID IN ADVANCE AT THE TIME APPLICATION IS MADE THEREFOR, AND EACH SUCH LICENSE MAY BE RENEWED FOR PERIODS OF ONE YEAR UPON THE PAYMENT OF THE ANNUAL LICENSE FEE PRESCRIBED BY THIS SUBDIVISION. WITHIN THREE YEARS FROM THE DATE OF PAYMENT AND UPON THE AUDIT OF THE COMPTROLLER, THE COMMISSION MAY REFUND ANY FEE, UNFORFEITED POSTED GUARANTEE OR TAX PAID PURSUANT TO THIS SECTION, FOR WHICH NO LICENSE IS ISSUED OR NO SERVICE RENDERED OR REFUND THAT PORTION OF THE PAYMENT THAT IS IN EXCESS OF THE AMOUNT PRESCRIBED BY STATUTE.

8. APPLICATION FOR LICENSE; FINGERPRINTS. (A) EVERY APPLICATION FOR A LICENSE SHALL BE IN WRITING, SHALL BE ADDRESSED TO THE COMMISSION, SHALL BE SUBSCRIBED BY THE APPLICANT, AND AFFIRMED BY HIM AS TRUE UNDER THE PENALTIES OF PERJURY, AND SHALL SET FORTH SUCH FACTS AS THE PROVISIONS HEREOF AND THE RULES AND REGULATIONS OF THE COMMISSION MAY REQUIRE.

(B) WHEN AN APPLICATION IS MADE FOR A LICENSE UNDER THIS SECTION, THE COMMISSION MAY CAUSE THE FINGERPRINTS OF SUCH APPLICANT, OR IF SUCH APPLICANT BE A CORPORATION, OF THE OFFICERS OF SUCH CORPORATION, OR IF SUCH APPLICANT BE A LIMITED LIABILITY COMPANY, THE MANAGER OF SUCH LIMITED LIABILITY COMPANY TO BE TAKEN IN DUPLICATE. THE APPLICANT SHALL BE RESPONSIBLE FOR THE COST OF HAVING HIS FINGERPRINTS TAKEN. IF SUCH FINGERPRINTS ARE TAKEN, ONE COPY SHALL BE TRANSMITTED TO THE DIVISION OF CRIMINAL JUSTICE SERVICES IN ACCORDANCE WITH THE RULES AND REGULATIONS OF THE DIVISION OF CRIMINAL JUSTICE SERVICES AND ONE SHALL REMAIN ON FILE IN THE OFFICE OF THE COMMISSION. NO SUCH FINGERPRINT MAY BE INSPECTED BY ANY PERSON, OTHER THAN A PEACE OFFICER, EXCEPT ON ORDER OF A JUDGE OR JUSTICE OF A COURT OF RECORD. THE DIVISION IS HEREBY AUTHORIZED TO TRANSMIT CRIMINAL HISTORY INFORMATION TO THE COMMISSION FOR THE PURPOSES OF THIS PARAGRAPH. THE INFORMATION OBTAINED BY ANY SUCH FINGERPRINT EXAMINATION SHALL BE FOR THE GUIDANCE OF THE COMMISSION IN THE EXERCISE OF ITS DISCRETION IN GRANTING OR WITHHOLDING THE LICENSE. THE COMMISSION SHALL PROVIDE SUCH APPLICANT WITH A COPY OF HIS OR HER CRIMINAL HISTORY RECORD, IF ANY, TOGETHER WITH A COPY OF ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW, AND INFORM SUCH APPLICANT OF HIS OR HER RIGHT TO SEEK CORRECTION OF ANY INCORRECT INFORMATION CONTAINED IN SUCH RECORD PURSUANT TO REGULATIONS AND PROCEDURES ESTABLISHED BY THE DIVISION OF CRIMINAL JUSTICE SERVICES. ALL DETERMINATIONS TO ISSUE, RENEW, SUSPEND OR REVOKE A LICENSE SHALL BE MADE IN ACCORDANCE WITH SUBDIVISION SIXTEEN OF SECTION TWO HUNDRED NINETY-SIX OF THE EXECUTIVE LAW AND ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW.

9. STANDARDS FOR THE ISSUANCE OF LICENSES. (A) IF IN THE JUDGMENT OF THE COMMISSION THE FINANCIAL RESPONSIBILITY, EXPERIENCE, CHARACTER AND GENERAL FITNESS OF AN APPLICANT, INCLUDING IN THE CASE OF CORPORATIONS ITS OFFICERS AND STOCKHOLDERS, ARE SUCH THAT THE PARTICIPATION OF SUCH APPLICANT WILL BE CONSISTENT WITH THE BEST INTERESTS OF COMBATIVE SPORTS, THE PURPOSES OF THIS SECTION INCLUDING THE SAFETY OF PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS, AND IN THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY, THE COMMISSION SHALL GRANT A LICENSE IN ACCORDANCE WITH THE PROVISIONS CONTAINED IN THIS SUBDIVISION.

(B) ANY PROFESSIONAL COMBATIVE SPORTS PARTICIPANT APPLYING FOR A LICENSE OR RENEWAL OF A LICENSE UNDER THIS SUBDIVISION SHALL UNDERGO A COMPREHENSIVE PHYSICAL EXAMINATION INCLUDING CLINICAL NEUROLOGICAL AND NEUROPSYCHOLOGICAL EXAMINATIONS BY A PHYSICIAN APPROVED BY THE COMMISSION. IF, AT THE TIME OF SUCH EXAMINATION, THERE IS ANY INDICATION OF BRAIN INJURY, OR FOR ANY OTHER REASON THE PHYSICIAN DEEMS IT APPROPRI-

ATE, THE PROFESSIONAL COMBATIVE SPORTS PARTICIPANT SHALL BE REQUIRED TO UNDERGO FURTHER NEUROLOGICAL AND NEUROPSYCHOLOGICAL EXAMINATIONS BY A NEUROLOGIST INCLUDING, BUT NOT LIMITED TO, A COMPUTED TOMOGRAPHY OR MEDICALLY EQUIVALENT PROCEDURE. THE COMMISSION SHALL NOT ISSUE A LICENSE TO A PROFESSIONAL COMBATIVE SPORTS PARTICIPANT UNTIL SUCH EXAMINATIONS ARE COMPLETED AND REVIEWED BY THE COMMISSION. THE RESULTS OF ALL SUCH EXAMINATIONS HEREIN REQUIRED SHALL BECOME A PART OF THE PROFESSIONAL COMBATIVE SPORTS PARTICIPANT'S PERMANENT MEDICAL RECORD AS MAINTAINED BY THE COMMISSION. THE COST OF ALL SUCH EXAMINATIONS CALLED FOR IN THIS SUBDIVISION SHALL BE ASSUMED BY THE STATE IF SUCH EXAMINATIONS ARE PERFORMED BY A PHYSICIAN OR NEUROLOGIST APPROVED BY THE COMMISSION.

(C) ANY PROFESSIONAL COMBATIVE SPORTS PARTICIPANT LICENSED UNDER THIS CHAPTER SHALL, AS A CONDITION OF LICENSURE, WAIVE RIGHT OF CONFIDENTIALITY OF MEDICAL RECORDS RELATING TO TREATMENT OF ANY PHYSICAL CONDITION WHICH RELATES TO HIS ABILITY TO FIGHT. ALL MEDICAL REPORTS SUBMITTED TO, AND ALL MEDICAL RECORDS OF THE MEDICAL ADVISORY BOARD OR THE COMMISSION RELATIVE TO THE PHYSICAL EXAMINATION OR CONDITION OF COMBATIVE SPORTS PARTICIPANTS SHALL BE CONSIDERED CONFIDENTIAL, AND SHALL BE OPEN TO EXAMINATION ONLY TO THE COMMISSION OR ITS AUTHORIZED REPRESENTATIVE, TO THE LICENSED PARTICIPANT, MANAGER OR CHIEF SECOND UPON WRITTEN APPLICATION TO EXAMINE SAID RECORDS, OR UPON THE ORDER OF A COURT OF COMPETENT JURISDICTION IN AN APPROPRIATE CASE.

10. FINANCIAL INTEREST IN PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS PROHIBITED. NO ENTITY SHALL HAVE, EITHER DIRECTLY OR INDIRECTLY, ANY FINANCIAL INTEREST IN A PROFESSIONAL COMBATIVE SPORTS PARTICIPANT COMPETING ON PREMISES OWNED OR LEASED BY THE ENTITY, OR IN WHICH SUCH ENTITY IS OTHERWISE INTERESTED EXCEPT PURSUANT TO THE SPECIFIC WRITTEN AUTHORIZATION OF THE COMMISSION.

11. PAYMENTS NOT TO BE MADE BEFORE CONTESTS. NO PROFESSIONAL COMBATIVE SPORTS PARTICIPANT SHALL BE PAID FOR SERVICES BEFORE THE CONTEST, AND SHOULD IT BE DETERMINED BY THE COMMISSION THAT SUCH PARTICIPANT DID NOT GIVE AN HONEST EXHIBITION OF HIS SKILL, SUCH SERVICE SHALL NOT BE PAID FOR.

12. SHAM OR COLLUSIVE EVENTS. (A) ANY PERSON, INCLUDING ANY CORPORATION AND THE OFFICERS THEREOF, ANY PHYSICIAN, LIMITED LIABILITY COMPANY, REFEREE, JUDGE, PROFESSIONAL COMBATIVE SPORTS PARTICIPANT, MANAGER, TRAINER OR CHIEF SECOND, WHO SHALL PROMOTE, CONDUCT, GIVE OR PARTICIPATE IN ANY SHAM OR COLLUSIVE PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION, SHALL BE DEPRIVED OF HIS LICENSE BY THE COMMISSION.

(B) NO LICENSED ENTITY SHALL KNOWINGLY ENGAGE IN A COURSE OF CONDUCT IN WHICH PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS ARE ARRANGED WHERE ONE PROFESSIONAL COMBATIVE SPORTS PARTICIPANT HAS SKILLS OR EXPERIENCE SIGNIFICANTLY IN EXCESS OF THE OTHER PROFESSIONAL COMBATIVE SPORTS PARTICIPANT SO THAT A MISMATCH RESULTS WITH THE POTENTIAL OF PHYSICAL HARM TO THE PROFESSIONAL COMBATIVE SPORTS PARTICIPANT. IF SUCH ACTION OCCURS, THE COMMISSION MAY EXERCISE ITS POWERS TO DISCIPLINE UNDER SUBDIVISIONS THIRTEEN AND FOURTEEN OF THIS SECTION, PROVIDED THAT NOTHING IN THIS SUBDIVISION SHALL AUTHORIZE THE COMMISSION TO INTERVENE OR PROHIBIT A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION SOLELY ON THE BASIS OF THE DIFFERENCE BETWEEN RESPECTIVE PARTICIPANT'S MARTIAL ARTS DISCIPLINES.

13. IMPOSITION OF PENALTIES FOR VIOLATIONS. ANY ENTITY, LICENSED UNDER THE PROVISIONS OF THIS SECTION, THAT SHALL KNOWINGLY VIOLATE ANY RULE OR ORDER OF THE COMMISSION OR ANY PROVISION OF THIS SECTION, IN ADDITION TO ANY OTHER PENALTY BY LAW PRESCRIBED, SHALL BE LIABLE TO A CIVIL PENALTY NOT EXCEEDING FIVE THOUSAND DOLLARS TO BE IMPOSED BY THE COMMISSION, TO

BE SUED FOR BY THE ATTORNEY GENERAL IN THE NAME OF THE PEOPLE OF THE STATE OF NEW YORK IF DIRECTED BY THE COMMISSION. THE AMOUNT OF THE PENALTY COLLECTED BY THE COMMISSION OR RECOVERED IN ANY SUCH ACTION, OR PAID TO THE COMMISSION UPON A COMPROMISE AS HEREINAFTER PROVIDED, SHALL BE TRANSMITTED BY THE DEPARTMENT OF STATE INTO THE STATE TREASURY AND CREDITED TO THE GENERAL FUND. THE COMMISSION, FOR CAUSE SHOWN, MAY EXTEND THE TIME FOR THE PAYMENT OF SUCH PENALTY AND, BY COMPROMISE, MAY ACCEPT LESS THAN THE AMOUNT OF SUCH PENALTY AS IMPOSED IN SETTLEMENT THEREOF.

14. REVOCATION OR SUSPENSION OF LICENSES. (A) ANY LICENSE ISSUED UNDER THE PROVISIONS OF THIS SECTION MAY BE REVOKED OR SUSPENDED BY THE COMMISSION FOR THE REASON THEREIN STATED, THAT THE LICENSEE HAS, IN THE JUDGMENT OF THE COMMISSION, BEEN GUILTY OF AN ACT DETRIMENTAL TO THE INTERESTS OF COMBATIVE SPORTS GENERALLY OR TO THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY.

(B) WITHOUT OTHERWISE LIMITING THE DISCRETION OF THE COMMISSION AS PROVIDED IN THIS SECTION, THE COMMISSION MAY SUSPEND OR REVOKE A LICENSE OR REFUSE TO RENEW OR ISSUE A LICENSE, IF IT SHALL FIND THAT THE APPLICANT OR PARTICIPANT: (1) HAS BEEN CONVICTED OF A CRIME IN ANY JURISDICTION; (2) IS ASSOCIATING OR CONSORTING WITH ANY PERSON WHO HAS OR PERSONS WHO HAVE BEEN CONVICTED OF A CRIME OR CRIMES IN ANY JURISDICTION OR JURISDICTIONS; (3) HAS BEEN GUILTY OF OR ATTEMPTED ANY FRAUD OR MISREPRESENTATION IN CONNECTION WITH COMBATIVE SPORTS; (4) HAS VIOLATED OR ATTEMPTED TO VIOLATE ANY LAW WITH RESPECT TO COMBATIVE SPORTS IN ANY JURISDICTION OR ANY RULE, REGULATION OR ORDER OF THE COMMISSION, OR SHALL HAVE VIOLATED ANY RULE OF COMBATIVE SPORTS WHICH SHALL HAVE BEEN APPROVED OR ADOPTED BY THE COMMISSION, OR HAS BEEN GUILTY OF OR ENGAGED IN SIMILAR, RELATED OR LIKE PRACTICES; OR (5) HAS NOT ACTED IN THE BEST INTEREST OF MIXED MARTIAL ARTS. ALL DETERMINATIONS TO ISSUE, RENEW, SUSPEND OR REVOKE A LICENSE SHALL BE MADE IN ACCORDANCE WITH SUBDIVISION SIXTEEN OF SECTION TWO HUNDRED NINETY-SIX OF THE EXECUTIVE LAW AND ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW AS APPLICABLE.

(C) NO SUCH PARTICIPANT MAY, UNDER ANY CIRCUMSTANCES, COMPETE OR APPEAR IN A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION WITHIN NINETY DAYS OF HAVING SUFFERED A KNOCKOUT OR TECHNICAL KNOCKOUT IN ANY SUCH MATCH OR EXHIBITION WITHOUT CLEARANCE BY THE BOARD, OR WITHIN NINETY DAYS OF BEING RENDERED UNCONSCIOUS IN ANY SUCH MATCH OR EXHIBITION WHERE THERE IS EVIDENCE OF HEAD TRAUMA AS DETERMINED BY THE ATTENDING COMMISSION PHYSICIAN AND SHALL UNDERGO SUCH EXAMINATIONS AS REQUIRED UNDER PARAGRAPH (B) OF SUBDIVISION TWENTY OF THIS SECTION. THE PROFESSIONAL COMBATIVE SPORTS PARTICIPANT SHALL BE CONSIDERED SUSPENDED FROM PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS BY THE COMMISSION AND SHALL FORFEIT HIS LICENSE TO THE COMMISSION DURING SUCH PERIOD AND SUCH LICENSE SHALL NOT BE RETURNED TO THE PARTICIPANT UNTIL THE PARTICIPANT HAS MET ALL REQUIREMENTS, MEDICAL AND OTHERWISE, FOR REINSTATEMENT OF SUCH LICENSE. ALL SUCH SUSPENSIONS SHALL BE RECORDED IN THE PARTICIPANT'S LICENSE BY A COMMISSION OFFICIAL.

(D) THE COMMISSION MAY AT ANY TIME SUSPEND, REVOKE OR DENY A PARTICIPANT'S LICENSE OR TEMPORARY WORKING PERMIT FOR MEDICAL REASONS AT THE RECOMMENDATION OF THE BOARD.

(E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF ANY OTHER STATE SHALL REVOKE A LICENSEE'S LICENSE TO COMPETE OR APPEAR IN A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION IN THAT STATE BASED ON A KNOWING AND INTENTIONAL ENGAGEMENT IN ANY PROHIBITED PRACTICES OF SUCH STATE, THE COMMISSION MAY ACT TO REVOKE ANY LICENSE TO COMPETE OR APPEAR IN A

PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION ISSUED TO SUCH LICENSEE PURSUANT TO THE PROVISIONS OF THIS SECTION.

(F) THE COMMISSION MAY SUSPEND ANY LICENSE IT HAS ISSUED BY A DATED NOTICE TO THAT EFFECT TO THE SUSPENDED LICENSEE, MAILED OR DELIVERED TO THE LICENSEE, AND SPECIFYING THE EFFECTIVE DATE AND TERM OF THE SUSPENSION, PROVIDED HOWEVER THAT THE COMMISSION REPRESENTATIVE IN CHARGE OF A CONTEST OR EXHIBITION MAY THEN AND THERE TEMPORARILY SUSPEND ANY LICENSE ISSUED BY THE COMMISSION WITHOUT SUCH NOTICE. IN THE EVENT OF A TEMPORARY SUSPENSION, THE COMMISSION SHALL MAIL OR DELIVER THE NOTICE TO THE SUSPENDED LICENSEE WITHIN THREE BUSINESS DAYS AFTER THE TEMPORARY SUSPENSION. IN EITHER CASE SUCH SUSPENSION MAY BE WITHOUT ANY ADVANCE HEARING. UPON THE RECEIPT OF SUCH NOTICE OF SUSPENSION, THE SUSPENDED LICENSEE MAY APPLY TO THE COMMISSION FOR A HEARING ON THE MATTER TO DETERMINE WHETHER SUCH SUSPENSION SHOULD BE RESCINDED. SUCH APPLICATION FOR A HEARING MUST BE IN WRITING AND MUST BE RECEIVED BY THE COMMISSION WITHIN THIRTY DAYS AFTER THE DATE OF NOTICE OF SUSPENSION. THE COMMISSION SHALL HAVE THE AUTHORITY TO REVOKE ANY LICENSE ISSUED BY IT. BEFORE ANY LICENSE IS SO REVOKED, THE LICENSEE WILL BE OFFERED THE OPPORTUNITY AT A HEARING HELD BY OR ON BEHALF OF THE COMMISSION TO SHOW CAUSE WHY THE LICENSE SHOULD NOT BE REVOKED. THE COMMISSION SHALL OFFER THE OPPORTUNITY FOR A HEARING TO AN AFFECTED PERSON BEFORE TAKING ANY FINAL ACTION NEGATIVELY AFFECTING SUCH PERSON'S INDIVIDUAL PRIVILEGES OR PROPERTY GRANTED BY A LICENSE DULY ISSUED BY THE COMMISSION OR A CONTRACT APPROVED BY AND FILED WITH THE COMMISSION. IN ALL SUCH HEARINGS, LICENSEES AND OTHER WITNESSES SHALL TESTIFY UNDER OATH OR AFFIRMATION, WHICH MAY BE ADMINISTERED BY ANY COMMISSIONER OR AUTHORIZED REPRESENTATIVE OF THE COMMISSION ACTUALLY PRESENT. THE COMMISSION SHALL BE THE SOLE JUDGE OF THE RELEVANCY AND COMPETENCY OF TESTIMONY AND OTHER EVIDENCE, THE CREDIBILITY OF WITNESSES, AND THE SUFFICIENCY OF EVIDENCE. HEARINGS MAY BE CONDUCTED BY REPRESENTATIVES OF THE COMMISSION IN THE DISCRETION OF THE COMMISSION. IN SUCH CASES, THE COMMISSION REPRESENTATIVES CONDUCTING THE HEARING SHALL SUBMIT FINDINGS OF FACT AND RECOMMENDATIONS TO THE COMMISSION, WHICH SHALL NOT BE BINDING ON THE COMMISSION.

15. ADVERTISING MATTER TO STATE ADMISSION PRICE. IT SHALL BE THE DUTY OF EVERY ENTITY PROMOTING OR CONDUCTING A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION SUBJECT TO THE PROVISIONS OF THIS SECTION TO CAUSE TO BE INSERTED IN EACH SHOW CARD, BILL, POSTER, NEWSPAPER ADVERTISEMENT OF ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION GIVEN BY IT, THE PRICE OF ADMISSION THERETO. VIOLATION OF THE PROVISIONS OF THIS SUBDIVISION SHALL SUBJECT THE ENTITY TO A FINE OF ONE HUNDRED DOLLARS.

16. TICKETS TO INDICATE PURCHASE PRICE. ALL TICKETS OF ADMISSION TO ANY SUCH COMBATIVE SPORTS MATCH OR EXHIBITION SHALL BE CONTROLLED BY THE PROVISIONS OF ARTICLE TWENTY-FIVE OF THE ARTS AND CULTURAL AFFAIRS LAW. IT SHALL BE UNLAWFUL FOR ANY ENTITY TO ADMIT TO SUCH MATCH OR EXHIBITION A NUMBER OF PEOPLE GREATER THAN THE SEATING CAPACITY OF THE PLACE WHERE SUCH MATCH OR EXHIBITION IS HELD. VIOLATION OF THIS SUBDIVISION SHALL BE A MISDEMEANOR AND SHALL BE PUNISHABLE AS SUCH AND IN ADDITION SHALL INCUR FORFEITURE OF LICENSE.

17. EQUIPMENT OF BUILDINGS FOR MATCHES OR EXHIBITIONS. ALL BUILDINGS OR STRUCTURES USED OR INTENDED TO BE USED FOR HOLDING OR GIVING SUCH PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS SHALL BE PROPERLY VENTILATED AND PROVIDED WITH FIRE EXITS AND FIRE ESCAPES, AND IN ALL MANNER CONFORM TO THE LAWS, ORDINANCES AND REGULATIONS PERTAINING TO BUILDINGS IN THE CITY, TOWN OR VILLAGE WHERE SITUATED.

18. AGE OF PARTICIPANTS AND SPECTATORS. NO PERSON UNDER THE AGE OF EIGHTEEN YEARS SHALL PARTICIPATE IN ANY PROFESSIONAL COMBATIVE SPORTS

MATCH OR EXHIBITION, AND NO PERSON UNDER SIXTEEN YEARS OF AGE SHALL BE PERMITTED TO ATTEND AS A SPECTATOR; PROVIDED, HOWEVER, THAT A PERSON UNDER THE AGE OF SIXTEEN SHALL BE PERMITTED TO ATTEND AS A SPECTATOR IF ACCOMPANIED BY A PARENT OR GUARDIAN.

19. REGULATION OF CONDUCT OF MATCHES OR EXHIBITIONS. (A) EXCEPT FOR CHAMPIONSHIP MATCHES, WHICH SHALL NOT BE MORE THAN FIVE ROUNDS, NO COMBATIVE SPORTS MATCH OR EXHIBITION SHALL BE MORE THAN THREE ROUNDS IN LENGTH. NO PARTICIPANT SHALL BE ALLOWED TO PARTICIPATE IN MORE THAN THREE MATCHES OR EXHIBITIONS OR COMPETE FOR MORE THAN SIXTY MINUTES WITHIN SEVENTY-TWO CONSECUTIVE HOURS. NO PARTICIPANT SHALL BE ALLOWED TO COMPETE IN ANY SUCH MATCH OR EXHIBITION WITHOUT WEARING A MOUTHGUARD AND A PROTECTIVE GROIN CUP. AT EACH PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION, THERE SHALL BE IN ATTENDANCE A DULY LICENSED REFEREE WHO SHALL DIRECT AND CONTROL THE SAME. BEFORE STARTING SUCH CONTEST THE REFEREE SHALL ASCERTAIN FROM EACH PARTICIPANT THE NAME OF HIS MANAGER OR CHIEF SECOND, AND SHALL HOLD SUCH MANAGER OR CHIEF SECOND RESPONSIBLE FOR THE CONDUCT OF HIS ASSISTANT SECONDS DURING THE PROGRESS OF THE MATCH OR EXHIBITION. THE COMMISSION SHALL HAVE THE POWER IN ITS DISCRETION TO DECLARE FORFEITED ANY PRIZE, REMUNERATION OR PURSE, OR ANY PART THEREOF, BELONGING TO THE PARTICIPANTS OR ONE OF THEM, OR THE SHARE THEREOF OF ANY MANAGER OR CHIEF SECOND IF IN ITS JUDGMENT, SUCH PARTICIPANT OR PARTICIPANTS ARE NOT HONESTLY COMPETING OR THE PARTICIPANT OR MANAGER OR CHIEF SECOND OF A PARTICIPANT, AS THE CASE MAY BE, HAS COMMITTED AN ACT IN THE PREMISES IN VIOLATION OF ANY RULE, ORDER OR REGULATION OF THE COMMISSION. THE AMOUNT SO FORFEITED SHALL BE PAID WITHIN FORTY-EIGHT HOURS TO THE COMMISSION. THERE SHALL ALSO BE IN ATTENDANCE, THREE DULY LICENSED JUDGES WHO SHALL AT THE TERMINATION OF EACH SUCH COMBATIVE SPORTS MATCH OR EXHIBITION RENDER THEIR DECISION. THE WINNER OF SUCH MATCH OR EXHIBITION SHALL BE DETERMINED IN ACCORDANCE WITH A SCORING SYSTEM PRESCRIBED BY THE COMMISSION. PROVIDED, HOWEVER, THAT A PARTICIPANT MAY TERMINATE THE CONTEST BY SIGNALLING TO THE REFEREE THAT SUCH PARTICIPANT SUBMITS TO THE OPPONENT.

(B) THE COMMISSION MAY BY RULE, REGULATION OR ORDER, REQUIRE THE PRESENCE OF ANY MEDICAL EQUIPMENT AND PERSONNEL AT EACH PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION AS IS NECESSARY OR BENEFICIAL FOR THE SAFETY AND PROTECTION OF THE CONTESTANTS; AND MAY ALSO REQUIRE THE PRESENCE OF AN AMBULANCE OR OTHER APPARATUS AT THE SITE OF ANY SUCH MATCH OR EXHIBITION OR THE PROMULGATION OF AN EMERGENCY MEDICAL PLAN IN LIEU THEREOF.

(C) THE COMMISSION SHALL PRESCRIBE BY RULE OR REGULATION THE RESPONSIBILITIES OF MANAGERS, TRAINERS AND CHIEF SECONDS PRIOR TO, DURING AND AFTER A COMBATIVE SPORTS MATCH OR EXHIBITION IN ORDER TO PROMOTE THE SAFETY OF THE PARTICIPANTS AT ALL TIMES.

(D) THE COMMISSION SHALL REQUIRE BY RULE OR REGULATION THAT ANY PROFESSIONAL COMBATIVE SPORTS PARTICIPANT LICENSED UNDER THIS SECTION PRESENT TO A DESIGNATED COMMISSION OFFICIAL, BEFORE EACH MATCH OR EXHIBITION IN WHICH HE FIGHTS IN THIS STATE, A LICENSE WHICH SHALL INCLUDE BUT NOT BE LIMITED TO THE FOLLOWING INFORMATION: (1) THE PARTICIPANT'S NAME, PHOTOGRAPH, SOCIAL SECURITY NUMBER, DATE OF BIRTH, AND OTHER IDENTIFYING INFORMATION; (2) THE PARTICIPANT'S PRIOR MATCH OR EXHIBITION HISTORY INCLUDING THE DATES, LOCATION, AND DECISION OF SUCH MATCHES OR EXHIBITIONS; AND (3) THE PARTICIPANT'S MEDICAL HISTORY, RELATING TO ANY PHYSICAL CONDITION, MEDICAL TEST OR PROCEDURE WHICH RELATES TO HIS ABILITY TO FIGHT, AND A RECORD OF ALL MEDICAL SUSPENSIONS.

20. EXAMINATION BY PHYSICIAN; COST. (A) ALL PARTICIPANTS MUST BE EXAMINED BY A PHYSICIAN DESIGNATED BY THE COMMISSION BEFORE ENTERING THE

RING AND EACH SUCH PHYSICIAN SHALL IMMEDIATELY FILE WITH THE COMMISSION A WRITTEN REPORT OF SUCH EXAMINATION. THE COST OF ANY SUCH EXAMINATION, AS PRESCRIBED BY A SCHEDULE OF FEES ESTABLISHED BY THE COMMISSION, SHALL BE PAID BY THE ENTITY CONDUCTING THE MATCH OR EXHIBITION TO THE COMMISSION, WHICH SHALL THEN PAY THE FEE COVERING SUCH COST TO THE EXAMINING PHYSICIAN, IN ACCORDANCE WITH THE RULES OF THE COMMISSION.

(B) ANY PROFESSIONAL COMBATIVE SPORTS PARTICIPANT LICENSED OR PERMITTED UNDER THIS SECTION RENDERED UNCONSCIOUS OR SUFFERING HEAD TRAUMA AS DETERMINED BY THE ATTENDING PHYSICIAN SHALL BE IMMEDIATELY EXAMINED BY THE ATTENDING COMMISSION PHYSICIAN AND SHALL BE REQUIRED TO UNDERGO NEUROLOGICAL AND NEUROPSYCHOLOGICAL EXAMINATIONS BY A NEUROLOGIST INCLUDING BUT NOT LIMITED TO A COMPUTED TOMOGRAPHY OR MEDICALLY EQUIVALENT PROCEDURE. ANY PARTICIPANT SO INJURED SHALL NOT APPEAR IN ANY MATCH OR EXHIBITION UNTIL RESULTS OF SUCH EXAMINATIONS ARE REVIEWED BY THE COMMISSION. THE RESULTS OF ALL SUCH EXAMINATIONS HEREIN REQUIRED SHALL BECOME A PART OF THE PARTICIPANT'S PERMANENT MEDICAL RECORDS AS MAINTAINED BY THE COMMISSION AND SHALL BE USED BY THE COMMISSION TO DETERMINE WHETHER A PARTICIPANT SHALL BE PERMITTED TO APPEAR IN ANY FUTURE PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION. THE COSTS OF ALL SUCH EXAMINATIONS CALLED FOR IN THIS PARAGRAPH SHALL BE ASSUMED BY THE ENTITY OR PROMOTER IF SUCH EXAMINATIONS ARE PERFORMED BY A PHYSICIAN APPROVED BY THE COMMISSION.

(C) THE COMMISSION MAY AT ANY TIME REQUIRE A LICENSED OR PERMITTED PARTICIPANT TO UNDERGO A PHYSICAL EXAMINATION, INCLUDING ANY NEUROLOGICAL OR NEUROPSYCHOLOGICAL TEST OR PROCEDURE. THE COST OF SUCH EXAM SHALL BE ASSUMED BY THE STATE.

21. PHYSICIAN TO BE IN ATTENDANCE; POWERS OF SUCH PHYSICIAN. (A) IT SHALL BE THE DUTY OF EVERY ENTITY LICENSED TO CONDUCT A COMBATIVE SPORTS MATCH OR EXHIBITION, TO HAVE IN ATTENDANCE AT EVERY MATCH OR EXHIBITION AT LEAST ONE PHYSICIAN DESIGNATED BY THE COMMISSION AS THE RULES SHALL PROVIDE. THE COMMISSION MAY ESTABLISH A SCHEDULE OF FEES TO BE PAID BY THE LICENSEE TO COVER THE COST OF SUCH ATTENDANCE. SUCH FEES SHALL BE PAID TO THE COMMISSION, WHICH SHALL THEN PAY SUCH FEES TO THE PHYSICIANS ENTITLED THERETO, IN ACCORDANCE WITH THE RULES OF THE COMMISSION.

(B) THE PHYSICIAN SHALL TERMINATE ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION IF IN THE OPINION OF SUCH PHYSICIAN ANY PARTICIPANT HAS RECEIVED SEVERE PUNISHMENT OR IS IN DANGER OF SERIOUS PHYSICAL INJURY. IN THE EVENT OF ANY SERIOUS PHYSICAL INJURY, SUCH PHYSICIAN SHALL IMMEDIATELY RENDER ANY EMERGENCY TREATMENT NECESSARY, RECOMMEND FURTHER TREATMENT OR HOSPITALIZATION IF REQUIRED, AND FULLY REPORT THE ENTIRE MATTER TO THE COMMISSION WITHIN TWENTY-FOUR HOURS AND IF NECESSARY, SUBSEQUENTLY THEREAFTER. SUCH PHYSICIAN MAY ALSO REQUIRE THAT THE INJURED PARTICIPANT AND HIS MANAGER OR CHIEF SECOND REMAIN IN THE RING OR ON THE PREMISES OR REPORT TO A HOSPITAL AFTER THE CONTEST FOR SUCH PERIOD OF TIME AS SUCH PHYSICIAN DEEMS ADVISABLE.

(C) SUCH PHYSICIAN MAY ENTER THE RING AT ANY TIME DURING A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION AND MAY TERMINATE THE MATCH OR EXHIBITION IF IN HIS OPINION THE SAME IS NECESSARY TO PREVENT SEVERE PUNISHMENT OR SERIOUS PHYSICAL INJURY TO A PARTICIPANT.

22. BOND. BEFORE A LICENSE SHALL BE GRANTED TO AN ENTITY TO CONDUCT A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION, THE APPLICANT SHALL EXECUTE AND FILE WITH THE COMPTROLLER A BOND IN AN AMOUNT TO BE DETERMINED BY THE COMMISSION, TO BE APPROVED AS TO FORM AND SUFFICIENCY OF SURETIES THEREON BY THE COMPTROLLER, CONDITIONED FOR THE FAITHFUL PERFORMANCE BY SUCH ENTITY OF THE PROVISIONS OF THIS SECTION AND THE RULES AND REGULATIONS OF THE COMMISSION, AND UPON THE FILING AND

APPROVAL OF SUCH BOND THE COMPTROLLER SHALL ISSUE TO SUCH APPLICANT A CERTIFICATE OF SUCH FILING AND APPROVAL, WHICH SHALL BE BY SUCH APPLICANT FILED IN THE OFFICE OF THE COMMISSION WITH ITS APPLICATION FOR LICENSE, AND NO SUCH LICENSE SHALL BE ISSUED UNTIL SUCH CERTIFICATE SHALL BE FILED. IN CASE OF DEFAULT IN SUCH PERFORMANCE, THE COMMISSION MAY IMPOSE UPON THE DELINQUENT A PENALTY IN THE SUM OF NOT MORE THAN ONE THOUSAND DOLLARS FOR EACH OFFENSE, WHICH MAY BE RECOVERED BY THE ATTORNEY GENERAL IN THE NAME OF THE PEOPLE OF THE STATE OF NEW YORK IN THE SAME MANNER AS OTHER PENALTIES ARE RECOVERED BY LAW; ANY AMOUNT SO RECOVERED SHALL BE PAID INTO THE TREASURY.

23. BOND FOR PURSES, SALARIES AND OTHER EXPENSES. IN ADDITION TO THE BOND REQUIRED BY SUBDIVISION TWENTY-TWO OF THIS SECTION, EACH APPLICANT FOR A LICENSE TO CONDUCT PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS SHALL EXECUTE AND FILE WITH THE COMPTROLLER A BOND IN AN AMOUNT TO BE DETERMINED BY THE COMMISSION TO BE APPROVED AS TO FORM AND SUFFICIENCY OF SURETIES THEREON BY THE COMPTROLLER, CONDITIONED FOR AND GUARANTEEING THE PAYMENT OF PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS' PURSES, SALARIES OF CLUB EMPLOYEES LICENSED BY THE COMMISSION, AND THE LEGITIMATE EXPENSES OF PRINTING TICKETS AND ALL ADVERTISING MATERIAL.

24. DUTY TO PROVIDE INSURANCE FOR LICENSED PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS. (A) ALL ENTITIES HAVING LICENSES AS PROMOTERS SHALL CONTINUOUSLY PROVIDE INSURANCE FOR THE PROTECTION OF LICENSED PROFESSIONAL COMBATIVE SPORTS PARTICIPANTS, APPEARING IN PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS. SUCH INSURANCE COVERAGE SHALL PROVIDE FOR REIMBURSEMENT TO THE LICENSED ATHLETE FOR MEDICAL, SURGICAL AND HOSPITAL CARE, WITH A MINIMUM LIMIT OF FIFTY THOUSAND DOLLARS FOR INJURIES SUSTAINED WHILE PARTICIPATING IN ANY PROGRAM OPERATED UNDER THE CONTROL OF SUCH LICENSED PROMOTER AND FOR A PAYMENT OF ONE HUNDRED THOUSAND DOLLARS TO THE ESTATE OF ANY DECEASED ATHLETE WHERE SUCH DEATH IS OCCASIONED BY INJURIES RECEIVED DURING THE COURSE OF A MATCH OR EXHIBITION IN WHICH SUCH LICENSED ATHLETE PARTICIPATED UNDER THE PROMOTION OR CONTROL OF ANY LICENSED PROMOTER. THE COMMISSION MAY FROM TIME TO TIME, IN ITS DISCRETION, INCREASE THE AMOUNT OF SUCH MINIMUM LIMITS.

(B) THE FAILURE TO PAY PREMIUMS ON SUCH INSURANCE AS IS REQUIRED BY PARAGRAPH (A) OF THIS SUBDIVISION SHALL BE CAUSE FOR THE SUSPENSION OR THE REVOCATION OF THE LICENSE OF SUCH DEFAULTING PROMOTER.

25. NOTICE OF CONTEST; COLLECTION OF TAX. (A) EVERY ENTITY HOLDING ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION FOR WHICH AN ADMISSION FEE IS CHARGED OR RECEIVED, SHALL NOTIFY THE ATHLETIC COMMISSION TEN DAYS IN ADVANCE OF THE HOLDING OF SUCH CONTEST. ALL TICKETS OF ADMISSION TO ANY SUCH MATCH OR EXHIBITION SHALL BE PROCURED FROM A PRINTER DULY AUTHORIZED BY THE STATE ATHLETIC COMMISSION TO PRINT SUCH TICKETS AND SHALL BEAR CLEARLY UPON THE FACE THEREOF THE PURCHASE PRICE AND LOCATION OF SAME. AN ENTITY FAILING TO FULLY COMPLY WITH THIS SECTION SHALL BE SUBJECT TO A PENALTY OF FIVE HUNDRED DOLLARS TO BE COLLECTED BY AND PAID TO THE DEPARTMENT OF STATE. AN ENTITY IS PROHIBITED FROM OPERATING ANY MATCHES OR EXHIBITIONS UNTIL ALL PENALTIES DUE PURSUANT TO THIS SUBDIVISION AND TAXES, INTEREST AND PENALTIES DUE PURSUANT TO ARTICLE NINETEEN OF THE TAX LAW HAVE BEEN PAID.

(B) PURSUANT TO DIRECTION BY THE COMMISSIONER OF TAXATION AND FINANCE, EMPLOYEES OR OFFICERS OF THE ATHLETIC COMMISSION SHALL ACT AS AGENTS OF THE COMMISSIONER OF TAXATION AND FINANCE TO COLLECT THE TAX IMPOSED BY ARTICLE NINETEEN OF THE TAX LAW. THE ATHLETIC COMMISSION SHALL PROVIDE THE COMMISSIONER OF TAXATION AND FINANCE WITH SUCH INFORMATION AND TECHNICAL ASSISTANCE AS MAY BE NECESSARY FOR THE PROPER ADMINISTRATION OF SUCH TAX.

26. REGULATION OF JUDGES. (A) JUDGES FOR ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION UNDER THE JURISDICTION OF THE COMMISSION SHALL BE SELECTED BY THE COMMISSION FROM A LIST OF QUALIFIED LICENSED JUDGES MAINTAINED BY THE COMMISSION.

(B) ANY PROFESSIONAL COMBATIVE SPORT PARTICIPANT, MANAGER OR CHIEF SECOND MAY PROTEST THE ASSIGNMENT OF A JUDGE TO A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION AND THE PROTESTING PROFESSIONAL COMBATIVE SPORTS PARTICIPANT, MANAGER OR CHIEF SECOND MAY BE HEARD BY THE COMMISSION OR ITS DESIGNEE IF SUCH PROTEST IS TIMELY. IF THE PROTEST IS UNTIMELY IT SHALL BE SUMMARILY REJECTED.

(C) EACH PERSON SEEKING TO BE LICENSED AS A JUDGE BY THE COMMISSION SHALL BE REQUIRED TO SUBMIT TO OR PROVIDE PROOF OF AN EYE EXAMINATION AND ANNUALLY THEREAFTER ON THE ANNIVERSARY OF THE ISSUANCE OF THE LICENSE. EACH PERSON SEEKING TO BE A PROFESSIONAL COMBATIVE SPORTS JUDGE IN THE STATE SHALL BE CERTIFIED AS HAVING COMPLETED A TRAINING PROGRAM AS APPROVED BY THE COMMISSION AND SHALL HAVE PASSED A WRITTEN EXAMINATION APPROVED BY THE COMMISSION COVERING ASPECTS OF PROFESSIONAL COMBATIVE SPORTS INCLUDING, BUT NOT LIMITED TO, THE RULES OF THE SPORT, THE LAW OF THE STATE RELATING TO THE COMMISSION, AND BASIC FIRST AID. THE COMMISSION SHALL ESTABLISH CONTINUING EDUCATION PROGRAMS TO KEEP LICENSEES CURRENT ON AREAS OF REQUIRED KNOWLEDGE.

(D) EACH PERSON SEEKING A LICENSE TO BE A PROFESSIONAL COMBATIVE SPORTS JUDGE IN THIS STATE SHALL BE REQUIRED TO FILL OUT A FINANCIAL QUESTIONNAIRE CERTIFYING UNDER PENALTY OF PERJURY FULL DISCLOSURE OF THE JUDGE'S FINANCIAL SITUATION ON A QUESTIONNAIRE TO BE PROMULGATED BY THE COMMISSION. SUCH QUESTIONNAIRE SHALL BE IN A FORM AND MANNER APPROVED BY THE COMMISSION AND SHALL PROVIDE INFORMATION AS TO AREAS OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST AS WELL AS APPEARANCES OF SUCH CONFLICTS, INCLUDING FINANCIAL RESPONSIBILITY. WITHIN FORTY-EIGHT HOURS OF ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION, EACH COMBATIVE SPORTS JUDGE SHALL FILE WITH THE COMMISSION A FINANCIAL DISCLOSURE STATEMENT IN SUCH FORM AND MANNER AS SHALL BE ACCEPTABLE TO THE COMMISSION.

(E) ONLY A PERSON LICENSED BY THE COMMISSION MAY JUDGE A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION.

27. TRAINING FACILITIES. (A) THE COMMISSION MAY, IN ITS DISCRETION AND IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMMISSION TO PROTECT THE HEALTH AND SAFETY OF PROFESSIONAL COMBATIVE SPORT PARTICIPANTS IN TRAINING, ISSUE A LICENSE TO OPERATE A TRAINING FACILITY PROVIDING CONTACT SPARRING MAINTAINED EITHER EXCLUSIVELY OR IN PART FOR THE USE OF PROFESSIONAL COMBATIVE SPORT PARTICIPANTS. THE REGULATIONS OF THE COMMISSION SHALL INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING SUBJECTS TO PROTECT THE HEALTH AND SAFETY OF PROFESSIONAL COMBATIVE SPORT PARTICIPANTS:

(1) REQUIREMENTS FOR FIRST AID MATERIALS TO BE STORED IN AN ACCESSIBLE LOCATION ON THE PREMISES AND FOR THE PRESENCE ON THE PREMISES OF A PERSON TRAINED AND CERTIFIED IN THE USE OF SUCH MATERIALS AND PROCEDURES FOR CARDIO-PULMONARY RESUSCITATION AT ALL TIMES DURING WHICH THE FACILITY IS OPEN FOR TRAINING PURPOSES;

(2) PROMINENT POSTING ADJACENT TO AN ACCESSIBLE TELEPHONE OF THE TELEPHONE NUMBER FOR EMERGENCY MEDICAL SERVICES AT THE NEAREST HOSPITAL;

(3) CLEAN AND SANITARY BATHROOMS, SHOWER ROOMS, LOCKER ROOMS AND FOOD SERVING AND STORAGE AREAS;

(4) ADEQUATE VENTILATION AND LIGHTING OF ACCESSIBLE AREAS OF THE TRAINING FACILITY;

(5) ESTABLISHMENT OF A POLICY CONCERNING THE RESTRICTION OF SMOKING IN TRAINING AREAS, INCLUDING PROVISIONS FOR ITS ENFORCEMENT BY THE FACILITY OPERATOR;

(6) COMPLIANCE WITH STATE AND LOCAL FIRE ORDINANCES;

(7) INSPECTION AND APPROVAL OF RINGS AS REQUIRED BY SUBDIVISION THIRTY OF THIS SECTION; AND

(8) ESTABLISHMENT OF A POLICY FOR POSTING ALL COMMISSION LICENSE SUSPENSIONS AND LICENSE REVOCATIONS RECEIVED FROM THE COMMISSION INCLUDING PROVISIONS FOR ENFORCEMENT OF SUCH SUSPENSIONS AND REVOCATIONS BY THE FACILITY OPERATOR.

(B) A PROSPECTIVE LICENSEE SHALL SUBMIT TO THE COMMISSION PROOF THAT IT CAN FURNISH SUITABLE FACILITIES IN WHICH THE TRAINING IS TO BE CONDUCTED, INCLUDING THE MAKING OF SUCH TRAINING FACILITIES AVAILABLE FOR INSPECTION BY THE COMMISSION AT ANY TIME DURING WHICH TRAINING IS IN PROGRESS.

28. TEMPORARY TRAINING FACILITIES. ANY TRAINING FACILITY PROVIDING CONTACT SPARRING ESTABLISHED AND MAINTAINED ON A TEMPORARY BASIS FOR THE PURPOSE OF PREPARING A PROFESSIONAL COMBATIVE SPORT PARTICIPANT FOR A SPECIFIC PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION TO BE CONDUCTED, HELD OR GIVEN WITHIN THE STATE OF NEW YORK SHALL BE EXEMPT FROM THIS ACT INSOFAR AS IT CONCERNS THE LICENSING OF SUCH FACILITIES IF, IN THE JUDGMENT OF THE COMMISSION, ESTABLISHMENT AND MAINTENANCE OF SUCH FACILITY WILL BE CONSISTENT WITH THE PURPOSES AND PROVISIONS OF THIS CHAPTER, THE BEST INTERESTS OF PROFESSIONAL COMBATIVE SPORTS GENERALLY, AND THE PUBLIC INTEREST, CONVENIENCE OR NECESSITY.

29. WEIGHTS; CLASSES AND RULES. THE WEIGHTS AND CLASSES OF COMBATIVE SPORT PARTICIPANTS AND THE RULES AND REGULATIONS OF PROFESSIONAL COMBATIVE SPORTS SHALL BE PRESCRIBED BY THE COMMISSION.

30. RINGS OR FIGHTING AREAS. NO PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION OR TRAINING ACTIVITY SHALL BE PERMITTED IN ANY RING OR FIGHTING AREA UNLESS SUCH RING OR FIGHTING AREA HAS BEEN INSPECTED AND APPROVED BY THE COMMISSION. THE COMMISSION SHALL PRESCRIBE STANDARD ACCEPTABLE SIZE AND QUALITY REQUIREMENTS FOR RINGS OR FIGHTING AREAS AND APPURTENANCES THERETO.

31. MISDEMEANOR. ANY ENTITY WHO INTENTIONALLY, DIRECTLY OR INDIRECTLY CONDUCTS, HOLDS OR GIVES A PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION OR PARTICIPATES EITHER DIRECTLY OR INDIRECTLY IN ANY SUCH MATCH OR EXHIBITION AS A REFEREE, JUDGE, CORPORATION TREASURER, PROFESSIONAL COMBATIVE SPORTS PARTICIPANT, MANAGER, PROMOTER, TRAINER OR CHIEF SECOND, WITHOUT FIRST HAVING PROCURED AN APPROPRIATE LICENSE OR PERMIT AS PRESCRIBED IN THIS SECTION SHALL BE GUILTY OF A MISDEMEANOR.

S 3. Section 6 of chapter 912 of the laws of 1920 relating to the regulation of boxing, sparring and wrestling, as amended by chapter 437 of the laws of 2002 and subdivision 1 as designated and subdivision 2 as added by chapter 673 of the laws of 2003, is amended to read as follows:

S 6. Jurisdiction of commission. 1. The commission shall have and hereby is vested with the sole direction, management, control and jurisdiction over all such boxing and sparring matches or exhibitions OR PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS to be conducted, held or given within the state of New York and over all licenses to any and all persons who participate in such boxing or sparring matches or exhibitions OR PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS and over any and all gyms, clubs, training camps and other organizations that maintain training facilities providing contact sparring for persons who prepare for participation in such boxing or sparring matches or exhibitions OR PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS, and

over the promotion of professional wrestling exhibitions OR PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS to the extent provided for in sections 5, 9, 19, 20, 28-a, 28-b and 33 of this act, except as otherwise provided in this act.

2. The commission is authorized and directed to require that all sites wherein boxing, sparring and wrestling matches and exhibitions OR PROFESSIONAL COMBATIVE SPORTS MATCHES OR EXHIBITIONS are conducted shall comply with state and applicable local sanitary codes appropriate to school athletic facilities.

S 4. Subdivision 1 of section 451 of the tax law, as amended by section 1 of part F of chapter 407 of the laws of 1999, is amended to read as follows:

1. "Gross receipts from ticket sales" shall mean the total gross receipts of every person from the sale of tickets to any professional or amateur boxing, sparring or wrestling match or exhibition OR ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION held in this state, and without any deduction whatsoever for commissions, brokerage, distribution fees, advertising or any other expenses, charges and recoupments in respect thereto.

S 5. Section 452 of the tax law, as amended by section 2 of part F of chapter 407 of the laws of 1999, is amended to read as follows:

S 452. Imposition of tax. 1. On and after October first, nineteen hundred ninety-nine, a tax is hereby imposed and shall be paid upon the gross receipts of every person holding any professional or amateur boxing, sparring or wrestling match or exhibition in this state. Such tax shall be imposed on such gross receipts, exclusive of any federal taxes, as follows:

(a) three percent of gross receipts from ticket sales, except that in no event shall the tax imposed by this [subdivision] PARAGRAPH exceed fifty thousand dollars for any match or exhibition;

(b) three percent of gross receipts from broadcasting rights, except that in no event shall the tax imposed by this [subdivision] PARAGRAPH exceed fifty thousand dollars for any match or exhibition.

2. ON AND AFTER THE EFFECTIVE DATE OF THIS SUBDIVISION, A TAX IS HEREBY IMPOSED AND SHALL BE PAID UPON THE GROSS RECEIPTS OF EVERY PERSON HOLDING ANY PROFESSIONAL COMBATIVE SPORTS MATCH OR EXHIBITION IN THIS STATE. SUCH TAX SHALL BE IMPOSED ON SUCH GROSS RECEIPTS, EXCLUSIVE OF ANY FEDERAL TAXES, AS FOLLOWS:

(A) EIGHT AND ONE-HALF PERCENT OF GROSS RECEIPTS FROM TICKET SALES; AND

(B) THREE PERCENT OF GROSS RECEIPTS FROM BROADCASTING RIGHTS, EXCEPT THAT IN NO EVENT SHALL THE TAX IMPOSED BY THIS PARAGRAPH EXCEED FIFTY THOUSAND DOLLARS FOR ANY MATCH OR EXHIBITION.

S 6. This act shall take effect on the ninetieth day after it shall have become a law, and shall expire and be deemed repealed 3 years after it shall take effect; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date is authorized and directed to be made and completed on or before such effective date.

PART JJ

Section 1. The opening paragraph of paragraph 7 of subdivision (a) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

"Qualified business" - A QUALIFIED SEED FUND OR an independently owned and operated business that meets all of the following conditions as of the time of the first investment in the business:

S 2. Paragraph 10 of subdivision (a) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(10) "Qualified investment" - the investment of cash by a certified capital company in a qualified business for the purchase of any debt, equity or hybrid security, of any nature and description whatever, including a debt instrument or security which has the characteristics of debt but which provides for conversion into equity or equity participation instruments such as options or warrants, provided however, in the case of certified capital programs three, four [and], five[,] AND SIX that any such debt instrument have a maturity of at least twenty-four months from the date such debt is incurred; and further provided that a certified capital company, after the investment and assuming full conversion and exercise of any equity participation instruments, shall not own more than fifty percent of the voting equity of the qualified business, except in the case of a follow-on investment where a specific exemption is granted by the department under subparagraph (D) of paragraph one of subdivision (c) of this section OR AN INVESTMENT IN A QUALIFIED SEED FUND BY A PROGRAM SIX CERTIFIED CAPITAL COMPANY. Furthermore, except in the case of a follow-on investment, if a certified capital company owns more than fifteen percent of the equity in a company or has a seat on the board of directors of such company, then a certified capital company cannot invest in such company unless the following conditions are met: (i) at least one other investor who is not an affiliate of the certified capital company participates in the same round of investment on the same terms and conditions as the certified capital company; and (ii) the certified capital company and its affiliates invest no more than fifty percent of the total investment made in that round of investment.

S 3. Subdivision (a) of section 11 of the tax law is amended by adding two new paragraphs 17 and 18 to read as follows:

(17) "QUALIFIED SEED FUND" - IS ANY FUND THAT HAS BEEN CERTIFIED BY THE SUPERINTENDENT AS SUCH BY RULE OR REGULATION. THE SUPERINTENDENT MAY CERTIFY PARTNERSHIPS, CORPORATIONS, TRUSTS, OR LIMITED LIABILITY COMPANIES ORGANIZED ON A FOR-PROFIT BASIS, OR NOT-FOR-PROFIT FUNDS, WHICH SUBMIT AN APPLICATION TO BE DESIGNATED AS A QUALIFIED SEED FUND OPERATOR IF SUCH APPLICANT IS LOCATED, HEADQUARTERED AND LICENSED OR REGISTERED TO CONDUCT BUSINESS IN NEW YORK. QUALIFIED SEED FUNDS SHALL BE UNDER EXPERIENCED PROFESSIONAL MANAGEMENT FAMILIAR WITH SEED CAPITAL INVESTMENT, APPROPRIATE BUSINESS PRACTICES AND TECHNOLOGY-ORIENTED PRODUCTS AND SERVICES, AND FORMED FOR THE PURPOSE OF PROVIDING PRIVATE EQUITY TO TECHNOLOGY-BASED COMPANIES IN THEIR FORMATIVE STAGES AND INVEST IN QUALIFIED ENTERPRISES LOCATED WITHIN NEW YORK STATE. QUALIFIED SEED FUNDS MUST DEMONSTRATE (A) CAPACITY TO PERFORM DUE DILIGENCE IN MAKING INVESTMENT DECISIONS AND TO PROVIDE MANAGEMENT EXPERTISE AND OTHER VALUE-ADDED SERVICES; (B) FINANCIAL RESOURCES FOR IDENTIFYING AND INVESTING SEED-STAGE COMPANIES; AND (C) ABILITY TO EVALUATE EMERGING TECHNOLOGY COMMERCIALIZATION.

(18) "MATCH" - A CASH INVESTMENT IN OR LOAN TO A QUALIFIED BUSINESS MADE NO MORE THAN THREE MONTHS BEFORE OR SIX MONTHS AFTER AN INVESTMENT OF CERTIFIED CAPITAL BY A CERTIFIED CAPITAL COMPANY PROGRAM SIX IN SUCH QUALIFIED BUSINESS, OTHER THAN AN INVESTMENT MADE WITH CERTIFIED CAPITAL. THE TERM SHALL ALSO INCLUDE CASH INVESTED IN OR LENT TO A QUALIFIED

BUSINESS BY A CERTIFIED CAPITAL COMPANY THAT HAS INVESTED ONE HUNDRED PERCENT OF ITS CERTIFIED CAPITAL IN QUALIFIED BUSINESSES.

S 4. Paragraph 9 of subdivision (b) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(9) The superintendent shall start accepting applications to become a certified capital company in certified capital company program two by November first, nineteen hundred ninety-nine, and shall start accepting applications to become a certified capital company in certified capital company program three by August first, two thousand, and shall begin accepting applications to become a certified capital company in certified capital company program four by the later of August first, two thousand four or not more than sixty days after the effective date of section one of part D of chapter fifty-nine of the laws of two thousand four and shall begin accepting applications to become a certified capital company in certified capital company program five by the later of July first, two thousand five or not more than sixty days after the effective date of the chapter of the laws of two thousand five which amended this paragraph, AND SHALL BEGIN ACCEPTING APPLICATIONS TO BECOME A CERTIFIED CAPITAL COMPANY IN PROGRAM SIX BY JULY FIRST, TWO THOUSAND TWELVE OR NOT MORE THAN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THE CHAPTER OF THE LAWS OF TWO THOUSAND TWELVE WHICH AMENDED THIS PARAGRAPH.

S 5. Subparagraph (A) of paragraph 1 of subdivision (c) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(A) Within two years after the starting date of a specific certified capital company program of a certified capital company, at least twenty-five percent of its certified capital allocable to such certified capital company program must be placed in qualified investments AND IN THE CASE OF PROGRAM SIX, AT LEAST TEN PERCENT OF ITS CERTIFIED CAPITAL MUST HAVE BEEN PLACED IN QUALIFIED SEED FUNDS. ALL QUALIFIED INVESTMENTS MADE IN QUALIFIED SEED FUNDS UNDER PROGRAM SIX SHALL COUNT TOWARDS THE TWENTY-FIVE PERCENT INVESTMENT REQUIREMENT OF THIS SUBPARAGRAPH.

S 6. Subparagraph (C) of paragraph 1 of subdivision (c) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(C) Within four years after the starting date of a specific certified capital company program of a certified capital company, at least fifty percent of its certified capital allocable to such certified capital company program must be placed in qualified investments, at least fifty percent of which must have been placed in early stage businesses, except that in the case of program four and any subsequent program, at least twenty-five percent of which must have been placed in early stage businesses and an additional twenty-five percent of which must have been placed in start-up businesses, and except that in the case of qualified investments made in qualified businesses located in empire zones established pursuant to article eighteen-B of the general municipal law under the provisions of certified capital company program three, program four and program five from allocations of certified capital made specifically for such targeted investments in such zones, the requirement for qualified investments in early stage and start-up businesses shall not apply. AN INVESTMENT IN A QUALIFIED SEED FUND SHALL COUNT TOWARDS THE REQUIREMENT UNDER PROGRAM SIX FOR QUALIFIED INVESTMENTS IN EARLY STAGE BUSINESSES.

S 7. Subparagraph (D) of paragraph 1 of subdivision (c) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(D) A certified capital company, at least fifteen working days prior to making a proposed investment in a specific business, shall certify in writing to the superintendent that (i) the business in which it proposes to invest meets the definition of a qualified business as set forth in subdivision (a) of this section or, in the case of a follow-on investment, that such business continues to meet the requirements set forth in subparagraphs (A) and (C) of paragraph seven of subdivision (a) of this section and, in either case, an explanation of its determination that the business meets such requirements, [and] (ii) with respect to certified capital company program three, program four and program five, whether or not such business is located in an empire zone established pursuant to article eighteen-B of the general municipal law or in an underserved area outside an empire zone AND (III) WITH RESPECT TO CERTIFIED CAPITAL COMPANY PROGRAM SIX, WHETHER OR NOT SUCH INVESTMENT IS IN A QUALIFIED SEED FUND. The certification to the superintendent shall include a sworn statement from the business in which the certified capital company proposes to invest, which statement shall evidence the intention of the business to maintain its headquarters in New York and conduct its primary business operations in the state of New York after its receipt of the investment by the certified capital company. If the superintendent determines that the business does not meet the definition of a qualified business, or, in the case of a follow-on investment, that such business does not meet the requirements set forth in subparagraphs (A) and (C) of paragraph seven of subdivision (a) of this section, then it shall, within the fifteen working day period prior to the making of the proposed investment, notify the certified capital company of its determination and provide an explanation thereof, provided, however, that the department may, upon written request of a certified capital company and at the discretion of the department, grant, in writing, an exemption to the percentage limitations of paragraph ten of subdivision (a) of this section.

S 8. Subparagraph (F) of paragraph 1 of subdivision (c) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(F) If within ten years after the starting date of certified capital company program four [or], program five OR PROGRAM SIX, and within twelve years after the starting date of certified capital company programs one, two, and three, one hundred percent of the certified capital allocable to a certified capital company participating in [such] program ONE, TWO, THREE, FOUR OR FIVE has not been placed in qualified investments AND, WITH RESPECT TO PROGRAM SIX, ONE HUNDRED PERCENT OF THE CERTIFIED CAPITAL HAS NOT BEEN PLACED IN QUALIFIED INVESTMENTS WITH TEN PERCENT OF SUCH AMOUNT BEING PLACED IN QUALIFIED SEED FUNDS, the specific certified capital company shall no longer be permitted to receive management fees; provided that such restriction shall not apply (i) with respect to certified capital company programs one, two, and three, to any certified capital company that has not, prior to October thirty-first, two thousand four, received, as opposed to accrued, any management fees, or (ii) with respect to any certified capital company program, to a certified capital company in which at least fifty percent of the voting stock, capital, membership interests, or other beneficial ownership interests, as the case may be, are owned by an entity that is managed, directly or indirectly, by a non-profit corporation.

S 9. Paragraph 1 of subdivision (c) of section 11 of the tax law is amended by adding a new subparagraph (G) to read as follows:

(G) IF WITHIN ONE YEAR OF THE STARTING DATE OF CERTIFIED CAPITAL COMPANY PROGRAM SIX, THE CERTIFIED CAPITAL COMPANY HAS NOT ACHIEVED A MATCH OF AT LEAST ONE HUNDRED PERCENT OF THE AMOUNT OF QUALIFIED INVESTMENTS MADE BY SUCH CERTIFIED CAPITAL COMPANY WITH PROGRAM SIX CERTIFIED CAPITAL AS OF SUCH DATE, THE SPECIFIC CERTIFIED CAPITAL COMPANY SHALL NOT BE PERMITTED TO RECEIVE MANAGEMENT FEES UNTIL IT HAS ACHIEVED SUCH MATCH. IF WITHIN THREE YEARS OF THE STARTING DATE OF CERTIFIED CAPITAL COMPANY PROGRAM SIX, THE CERTIFIED CAPITAL COMPANY HAS NOT ACHIEVED A MATCH OF AT LEAST ONE HUNDRED PERCENT OF THE AMOUNT OF QUALIFIED INVESTMENTS MADE BY SUCH CERTIFIED CAPITAL COMPANY WITH PROGRAM SIX CERTIFIED CAPITAL COMPANY AS OF SUCH DATE, THE SPECIFIC CERTIFIED CAPITAL COMPANY SHALL NOT BE PERMITTED TO RECEIVE MANAGEMENT FEES UNTIL IT HAS ACHIEVED SUCH MATCH. IF WITHIN FIVE YEARS OF THE STARTING DATE OF CERTIFIED CAPITAL COMPANY PROGRAM SIX, THE CERTIFIED CAPITAL COMPANY HAS NOT ACHIEVED A MATCH OF AT LEAST ONE HUNDRED PERCENT OF THE AMOUNT OF QUALIFIED INVESTMENTS MADE BY SUCH CERTIFIED CAPITAL COMPANY WITH PROGRAM SIX CERTIFIED CAPITAL COMPANY AS OF SUCH DATE, THE SPECIFIC CERTIFIED CAPITAL COMPANY SHALL NOT BE PERMITTED TO RECEIVE MANAGEMENT FEES UNTIL IT HAS ACHIEVED SUCH MATCH.

S 10. Subparagraph (A) of paragraph 6 of subdivision (c) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(A) As soon as practicable after the receipt of certified capital or an irrevocable funding commitment subject only to the receipt of an allocation pursuant to subdivision (h) of this section, (i) the name of each certified investor from which the certified capital was received, including such certified investor's insurance tax identification number; (ii) the amount of each certified investor's investment of certified capital; and (iii) the date on which the certified capital was received. Provided, however, that requests for allocation of tax credits with respect to certified capital company program two by certified capital companies on behalf of their certified investors which are received by the superintendent on or before March first, two thousand shall be treated as having been received on March first, two thousand for tax credits to be utilized in two thousand one, and if satisfactory, shall be given equal priority for allocation, and provided, however, that requests for allocation of tax credits with respect to certified capital company program three by certified capital companies on behalf of their certified investors which are received by the superintendent on or before December first, two thousand shall be treated as having been received on December first, two thousand for tax credits to be utilized in two thousand two, and if satisfactory, shall be given equal priority for allocation, and provided, however, that requests for allocation of tax credits with respect to certified capital company program four by certified capital companies on behalf of their certified investors which are received by the superintendent on or before December first, two thousand four shall be treated as having been received on December first, two thousand four for tax credits to be utilized in two thousand six, and if satisfactory, shall be given equal priority for allocation, and provided, however, that requests for allocation of tax credits with respect to certified capital company program five by certified capital companies on behalf of their certified investors which are received by the superintendent on or before the later of (i) November first, two thousand five and (ii) the one hundred twentieth day after the date on

which the superintendent began accepting applications for certification in connection with certified capital company program five pursuant to paragraph nine of subdivision (b) of this section shall be treated as having been received on such later date for tax credits to be utilized in two thousand seven, and if satisfactory, shall be given equal priority for allocation, AND PROVIDED, HOWEVER, THAT REQUESTS FOR ALLOCATION OF TAX CREDITS WITH RESPECT TO CERTIFIED CAPITAL COMPANY PROGRAM SIX BY CERTIFIED CAPITAL COMPANIES ON BEHALF OF THEIR CERTIFIED INVESTORS WHICH ARE RECEIVED BY THE SUPERINTENDENT ON OR BEFORE THE LATER OF (I) NOVEMBER FIRST, TWO THOUSAND ELEVEN AND (II) THE ONE HUNDRED TWENTIETH DAY AFTER THE DATE ON WHICH THE SUPERINTENDENT BEGAN ACCEPTING APPLICATIONS FOR CERTIFICATION IN CONNECTION WITH CERTIFIED CAPITAL PROGRAM SIX PURSUANT TO PARAGRAPH NINE OF SUBDIVISION (B) OF THIS SECTION SHALL BE TREATED AS HAVING BEEN RECEIVED ON SUCH LATER DATE FOR TAX CREDITS TO BE UTILIZED IN TWO THOUSAND FIFTEEN, AND IF SATISFACTORY, SHALL BE GIVEN EQUAL PRIORITY FOR ALLOCATION.

S 11. Subparagraph (B) of paragraph 6 of subdivision (c) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(B) On an annual basis, on or before January thirty-first of each year, (i) the amount of the certified capital company's certified capital at the end of the immediately preceding year; (ii) whether or not the certified capital company has invested more than fifteen percent of its total certified capital in any one business; (iii) all qualified investments that the certified capital company made during the previous calendar year, including the number of employees of each qualified business in which it has made investments at the time of such investment and as of December first of the preceding calendar year. For any qualified business where the certified capital company no longer has an investment, the certified capital company shall provide employment figures for such company as of the last day before the investment was terminated. Such report shall provide a separate accounting by each certified capital company program; [and] (iv) all qualified investments made in empire zones and underserved areas outside such empire zones as required under certified capital company program three, certified capital company program four and certified capital company program five; AND (V) WITH RESPECT TO CERTIFIED CAPITAL COMPANY PROGRAM SIX, ALL QUALIFIED INVESTMENTS MADE IN UNDERSERVED AREAS, ALL QUALIFIED INVESTMENTS MADE IN QUALIFIED SEED FUNDS, INCLUDING THE NUMBER OF EMPLOYEES OF EACH BUSINESS IN WHICH A QUALIFIED SEED FUND HAS MADE INVESTMENTS AT THE TIME OF SUCH INVESTMENT AND AS OF DECEMBER FIRST OF THE PRECEDING CALENDAR YEAR AND THE MATCH ACHIEVED BY THE CERTIFIED CAPITAL COMPANY. FOR ANY BUSINESS WHERE THE QUALIFIED SEED FUND NO LONGER HAS AN INVESTMENT, THE CERTIFIED CAPITAL COMPANY SHALL PROVIDE EMPLOYMENT FIGURES FOR SUCH COMPANY AS OF THE LAST DAY BEFORE THE INVESTMENT WAS TERMINATED.

S 12. Paragraph 1 of subdivision (d) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(1) A certified capital company may make qualified distributions at any time. In order for a certified capital company to make a distribution other than a qualified distribution from a certified capital company program, to its equity holders, either (A) the aggregate cumulative amount of all qualified investments for such program must equal or exceed one hundred percent of its certified capital allocable to such certified capital company program AND WITH RESPECT TO PROGRAM SIX, THE CERTIFIED CAPITAL COMPANY MUST HAVE ACHIEVED A MATCH OF AT LEAST NINETY

PERCENT OF THE CERTIFIED CAPITAL ALLOCABLE TO SUCH CERTIFIED CAPITAL COMPANY, or (B) it must have received written authorization to make such distribution from the superintendent. In no event, however, shall any such distribution to its equity holders, other than a qualified distribution, be made by a certified capital company from a certified capital company program unless an amount equal cumulatively to at least ninety percent of its certified capital of such program is invested in companies that conduct their principal business operations in New York state.

S 13. Paragraph 5 of subdivision (e) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(5) Once a certified capital company has invested an amount cumulatively equal to one hundred percent of its certified capital with respect to a particular certified capital company program in qualified investments and has met all other requirements under this subdivision, INCLUDING THE REQUIREMENT THAT A PROGRAM SIX CERTIFIED CAPITAL COMPANY INVEST TEN PERCENT OF ITS CERTIFIED CAPITAL IN QUALIFIED SEED FUNDS AND ACHIEVE A MATCH OF AT LEAST NINETY PERCENT OF THE CERTIFIED CAPITAL ALLOCABLE TO SUCH CERTIFIED CAPITAL COMPANY, the certified capital company shall no longer be subject to regulation by the superintendent and shall no longer be subject to the requirements of subdivision (c) of this section with respect to such program. Upon receiving documented certification by a certified capital company that it has invested, WITH RESPECT TO PROGRAMS ONE, TWO, THREE, FOUR AND FIVE, an amount equal to one hundred percent of its certified capital AND, WITH RESPECT TO PROGRAM SIX, AN AMOUNT EQUAL TO ONE HUNDRED PERCENT OF ITS CERTIFIED CAPITAL WITH TEN PERCENT OF SUCH CERTIFIED CAPITAL INVESTED IN QUALIFIED SEED FUNDS AND, WITH RESPECT TO PROGRAM SIX, ACHIEVED A MATCH OF AT LEAST NINETY PERCENT OF THE CERTIFIED CAPITAL ALLOCABLE TO SUCH CERTIFIED CAPITAL COMPANY, the department shall have sixty days to notify such certified capital company that it has or has not met such requirement with a reason for such determination if it has not, in the judgment of the department, met such requirement. If the department does not provide such notification within sixty days, the certified capital company shall then be deemed to have met such requirement.

S 14. Subdivision (h) of section 11 of the tax law is amended by adding a new paragraph 6 to read as follows:

(6) CERTIFIED CAPITAL COMPANY PROGRAM SIX. THE AGGREGATE AMOUNT OF CERTIFIED CAPITAL FOR WHICH TAXPAYERS MAY BE ALLOCATED AND ALLOWED TAX CREDITS PURSUANT TO THIS PARAGRAPH AND SUBDIVISION (K) OF SECTION FIFTEEN HUNDRED ELEVEN OF THIS CHAPTER MAY NOT EXCEED ONE HUNDRED FIFTY MILLION DOLLARS FOR CALENDAR YEAR TWO THOUSAND FIFTEEN, WHICH CERTIFIED CAPITAL MAY BE INVESTED IN CERTIFIED CAPITAL COMPANIES BEGINNING IN CALENDAR YEAR TWO THOUSAND ELEVEN.

DURING ANY CALENDAR YEAR IN WHICH THE LIMITATION DESCRIBED IN THIS PARAGRAPH WILL LIMIT THE AMOUNT OF CERTIFIED CAPITAL, CERTIFIED CAPITAL WILL BE ALLOCATED IN ORDER OF PRIORITY BASED UPON THE DATE OF FILING OF INFORMATION DESCRIBED IN SUBPARAGRAPH (A) OF PARAGRAPH SIX OF SUBDIVISION (C) OF THIS SECTION. THE SUPERINTENDENT SHALL ADVISE ANY CERTIFIED CAPITAL COMPANY IN WRITING, WITHIN FIFTEEN DAYS AFTER RECEIVING SUCH FILING, WHETHER THE LIMITATIONS OF THIS PARAGRAPH THEN IN EFFECT WILL BE APPLICABLE WITH RESPECT TO THE INVESTMENTS AND CREDITS DESCRIBED IN SUCH FILING WITH THE SUPERINTENDENT.

CERTIFIED CAPITAL MAY BE RAISED BY EACH CERTIFIED CAPITAL COMPANY WITH RESPECT TO CERTIFIED CAPITAL COMPANY PROGRAM SIX AT ANY TIME SUBSEQUENT TO ITS CERTIFICATION DATE, AND CREDITS SHALL BE ALLOCATED TO AND IRREVO-

CABLY VESTED BY THE STATE IN CERTIFIED INVESTORS AT THE TIME OF EACH SUCH INVESTMENT AS PROVIDED IN THIS PARAGRAPH, ALTHOUGH SUCH CREDITS SHALL NOT BE FIRST ALLOWED OR INCURRED FOR STATE TAX PURPOSES, UNTIL, AT THE EARLIEST, TAX YEARS BEGINNING IN TWO THOUSAND FIFTEEN. IN ORDER TO SATISFY THE REQUIREMENTS OF PARAGRAPH FIVE OF SUBDIVISION (E) OF THIS SECTION, A CERTIFIED CAPITAL COMPANY MUST HAVE MADE, ON A CUMULATIVE BASIS, (A) AN AMOUNT OF QUALIFIED INVESTMENTS IN QUALIFIED BUSINESSES LOCATED IN UNDERSERVED AREAS EQUAL TO AT LEAST TWO-THIRDS OF THE CERTIFIED CAPITAL RAISED BY SUCH CERTIFIED CAPITAL COMPANY WITH RESPECT TO CERTIFIED CAPITAL COMPANY PROGRAM SIX, (B) QUALIFIED INVESTMENTS IN QUALIFIED SEED FUNDS IN AN AMOUNT EQUAL TO AT LEAST TEN PERCENT OF THE CERTIFIED CAPITAL RAISED BY SUCH CERTIFIED CAPITAL COMPANY WITH RESPECT TO CERTIFIED CAPITAL COMPANY PROGRAM SIX AND (C) QUALIFIED INVESTMENTS IN QUALIFIED BUSINESSES THAT ARE INVOLVED IN COMMERCE FOR THE PRIMARY PURPOSE OF DEVELOPING AND MANUFACTURING PRODUCTS AND SYSTEMS COVERED BY THE ACTIVITIES SET FORTH IN PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION THIRTY-ONE HUNDRED TWO-E OF THE PUBLIC AUTHORITIES LAW AND HAVE A RATIO OF RESEARCH AND DEVELOPMENT EXPENDITURES TO NET SALES WHICH EQUALS OR EXCEEDS SIX PERCENT DURING THE FISCAL YEAR IMMEDIATELY PRECEDING THE QUALIFIED INVESTMENT IN AN AMOUNT EQUAL TO AT LEAST THIRTY-THREE PERCENT OF THE CERTIFIED CAPITAL RAISED BY SUCH CERTIFIED CAPITAL COMPANY WITH RESPECT TO PROGRAM SIX; PROVIDED, HOWEVER, THAT ALL QUALIFIED INVESTMENTS IN QUALIFIED SEED FUNDS SHALL COUNT TOWARD THE AMOUNT REQUIRED BY SUBPARAGRAPH (C) OF THIS PARAGRAPH.

S 15. Subdivision (i) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(i) Maximum certified capital. The maximum amount of certified capital per certified capital company program invested in one or more certified capital companies allowed in any one year to any one certified investor shall not exceed ten million dollars for certified capital company programs one and three, [and] eight million dollars for certified capital company programs two, four and five, AND FIFTEEN MILLION DOLLARS FROM CERTIFIED CAPITAL COMPANY PROGRAM SIX for such year, provided, however, that if the aggregate amount of certified capital for such year, as set forth in subdivision (h) of this section, has not been reached sixty days prior to the end of the year to which such aggregate amount applies, the provisions of this subdivision shall cease to apply for the remainder of such year. In addition, the aggregate amount of tax credits allowed in any taxable year to any affiliated group of taxpayers in relation to certified capital may not exceed such maximum amount, whether or not such taxpayers file a combined return pursuant to subdivision (f) of section fifteen hundred fifteen of this chapter. For purposes of the preceding sentence, the term "affiliated group" shall have the same meaning as described in section 1504 of the internal revenue code, except that the references to "at least eighty percent" in such section 1504 shall be read as "more than fifty percent".

S 16. Subdivision (j) of section 11 of the tax law, as amended by section 19 of part A of chapter 63 of the laws of 2005, is amended to read as follows:

(j) Reports. The superintendent shall report to the governor, the temporary president of the senate, and the speaker of the assembly, on or before June first of each year beginning in the year two thousand, the number of certified capital companies holding certified capital; the amount of certified capital invested in each certified capital company; the cumulative amount that each certified capital company has invested

as of January first of the year two thousand and the cumulative total each year thereafter; the cumulative amount that the investments of each certified capital company have leveraged in terms of capital invested by other sources of capital in qualified businesses at the same time or subsequent to investments made by a certified capital company in such businesses; the total amount of tax credits granted under this section each year that credits have been awarded under this section and subdivision (k) of section fifteen hundred eleven of this chapter; the performance of each certified capital company with regard to the requirements for recertification set forth in subdivision (c) of this section; the classification of companies in which each certified capital company has invested according to industrial sector and size of company; the total gross number of jobs created by investments made by each certified capital company using certified capital and the number of jobs retained; the location of companies in which each certified capital company has invested in a manner to indicate if the requirements for qualified investments in qualified businesses located in empire zones established pursuant to article eighteen-B of the general municipal law set forth for programs three, four and five and in underserved areas outside such empire zones have been met; the total gross number of jobs created in empire zones established pursuant to article eighteen-B of the general municipal law and in underserved areas outside such empire zones made by each certified capital company using certified capital in certified capital company programs three, four and five, reported by geographic location of each empire zone and underserved area and the number of jobs retained; and those certified capital companies that have been decertified, or have had their certifications revoked, including the reasons for decertification or revocation; THE LOCATION OF COMPANIES IN WHICH EACH CERTIFIED CAPITAL COMPANY HAS INVESTED IN A MANNER TO INDICATE IF THE REQUIREMENTS FOR QUALIFIED INVESTMENTS IN QUALIFIED BUSINESSES LOCATED IN UNDERSERVED AREAS AS SET FORTH IN PROGRAM SIX; THE TOTAL GROSS NUMBER OF JOBS CREATED IN UNDERSERVED AREAS USING CERTIFIED CAPITAL IN CERTIFIED CAPITAL COMPANY PROGRAM SIX AND THE NUMBER OF JOBS RETAINED; THE AMOUNT OF QUALIFIED INVESTMENTS MADE INTO QUALIFIED SEED FUNDS FOR PROGRAM SIX CERTIFIED CAPITAL COMPANIES; THE CLASSIFICATION OF COMPANIES IN WHICH EACH QUALIFIED SEED FUND HAS INVESTED ACCORDING TO INDUSTRIAL SECTOR AND SIZE OF COMPANY; THE TOTAL GROSS NUMBER OF JOBS CREATED BY INVESTMENTS MADE BY EACH QUALIFIED SEED FUND USING THE NUMBER OF JOBS RETAINED.

S 17. Paragraph 2 of subdivision (k) of section 1511 of the tax law, as amended by section 2 of part S of chapter 407 of the laws of 1999, is amended to read as follows:

(2) Ten percent of such credit shall be allowed in the taxable year to which such investment is allocated pursuant to PARAGRAPHS ONE THROUGH FIVE OF subdivision (h) of section eleven of this chapter and in each of the nine following taxable years. TWENTY-FIVE PERCENT OF SUCH CREDIT SHALL BE ALLOWED IN THE TAXABLE YEAR TO WHICH SUCH INVESTMENT IS ALLOCATED PURSUANT TO PARAGRAPH SIX OF SUBDIVISION (H) OF SECTION ELEVEN OF THIS CHAPTER AND IN EACH OF THE THREE FOLLOWING TAXABLE YEARS. In addition, in any taxable year subsequent to the taxable year for which [such] ANY investment is so allocated UNDER SUBDIVISION (H), any amount carried forward under paragraphs three and four of this subdivision may be carried forward indefinitely until such credits are utilized.

S 18. Section 84 of part A of chapter 62 of the laws of 2011 relating to constituting chapter 18-A of the consolidated laws relating to financial services is REPEALED.

S 19. This act shall take effect immediately.

PART KK

Section 1. Subparagraph (A) of paragraph 1 of subdivision a of section 1612 of the tax law, as amended by chapter 147 of the laws of 2010, is amended to read as follows:

(A) such game shall be available only on premises occupied by licensed lottery sales agents, subject to the following provisions:

(i) [if the licensee holds a license issued pursuant to the alcoholic beverage control law to sell alcoholic beverages for consumption on the premises, then not less than twenty-five percent of the gross sales must result from sales of food;

(ii)] if the licensee does not hold a license issued pursuant to the alcoholic beverage control law to sell alcoholic beverages for consumption on the premises, then the premises must have a minimum square footage greater than two thousand five hundred square feet;

[(iii)] (II) notwithstanding the foregoing provisions, television equipment that automatically displays the results of such drawings may be installed and used without regard to the percentage of food sales or the square footage if such premises are used as:

(I) a commercial bowling establishment, or

(II) a facility authorized under the racing, pari-mutuel wagering and breeding law to accept pari-mutuel wagers;

S 2. This act shall take effect immediately.

PART LL

Section 1. Paragraph 6 of subdivision (b) of section 21 of the tax law, as amended by section 1 of part H of chapter 577 of the laws of 2004, subparagraph (B) and the closing paragraph as amended by section 1 of part G of chapter 62 of the laws of 2006, is amended to read as follows:

(6) Environmental zones (EN-Zones). An "environmental zone" shall mean an area designated as such by the commissioner of economic development. Such areas so designated are areas which are census tracts and block numbering areas which, as of the [two thousand] MOST RECENT census, satisfy either of the following criteria:

(A) areas that have both:

(i) a poverty rate of at least twenty percent for the year to which the data relate; and

(ii) an unemployment rate of at least one and one-quarter times the statewide unemployment rate for the year to which the data relate, or;

(B) areas that have a poverty rate of at least two times the poverty rate for the county in which the areas are located for the year to which the data relate [provided, however, that a qualified site shall only be deemed to be located in an environmental zone under this subparagraph (B) if such site was the subject of a brownfield site cleanup agreement pursuant to section 27-1409 of the environmental conservation law that was entered into prior to September first, two thousand ten].

Such designation shall be made and a list of all such environmental zones shall be established by the commissioner of economic development no later than December thirty-first, two thousand [four provided, however, that a qualified site shall only be deemed to be located in an environmental zone under subparagraph (B) of this paragraph if such site was the subject of a brownfield site cleanup agreement pursuant to section

27-1409 of the environmental conservation law that was entered into prior to September first, two thousand ten] TWELVE.

S 2. Paragraph 5 of subdivision (a) of section 22 of the tax law, as amended by section 4 of part H of chapter 577 of the laws of 2004, subparagraph (B) and the closing paragraph as amended by section 2 of part G of chapter 62 of the laws of 2006, is amended to read as follows:

(5) Environmental zones (EN-Zones). An "environmental zone" shall mean an area designated as such by the commissioner of economic development. Such areas so designated are areas which are census tracts and block numbering areas which, as of the [two thousand] MOST RECENT census, satisfy either of the following criteria:

(A) areas that have both:

(i) a poverty rate of at least twenty percent for the year to which the data relate;

(ii) an unemployment rate of at least one and one-quarter times the statewide unemployment rate for the year to which the data relate, or;

(B) areas that have a poverty rate of at least two times the poverty rate for the county in which the areas are located for the year to which the data relate[, provided, however, that a qualified site shall only be deemed to be located in an environmental zone under this subparagraph (B) if such site was the subject of a brownfield site cleanup agreement pursuant to section 27-1409 of the environmental conservation law that was entered into prior to September first, two thousand ten].

Such designation shall be made and a list of all such environmental zones shall be established by the commissioner of economic development no later than December thirty-first, two thousand [four provided, however, that a qualified site shall only be deemed to be located in an environmental zone under subparagraph (B) of this paragraph if such site was the subject of a brownfield site cleanup agreement pursuant to section 27-1409 of the environmental conservation law that was entered into prior to September first, two thousand ten] TWELVE.

S 3. Subdivision (a) of section 23 of the tax law, as amended by section 10 of part H of chapter 577 of the laws of 2004, is amended to read as follows:

(a) Allowance of credit. General. A taxpayer subject to tax under article nine, nine-A, twenty-two, thirty-two or thirty-three of this chapter shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (e) of this section. The amount of such credit shall be equal to the lesser of [thirty] NINETY thousand dollars or fifty percent of the premiums paid on or after the date of the brownfield site cleanup agreement executed by the taxpayer and the department of environmental conservation pursuant to section 27-1409 of the environmental conservation law by the taxpayer for environmental remediation insurance issued with respect to a qualified site.

S 4. Section 31 of part H of chapter 1 of the laws of 2003 amending the tax law relating to brownfield redevelopment tax credits, is REPEALED.

S 5. This act shall take effect immediately.

PART MM

Section 1. The tax law is amended by adding a new section 608 to read as follows:

S 608. LIMIT UPON THE PERSONAL INCOME TAX LEVY BY THE STATE OF NEW YORK.

1. UNLESS OTHERWISE PROVIDED BY LAW, THE AMOUNT OF PERSONAL INCOME TAXES THAT MAY BE LEVIED BY OR ON BEHALF OF THE STATE OF NEW YORK SHALL NOT EXCEED THE TAX LEVY LIMIT ESTABLISHED PURSUANT TO THIS SECTION.

2. WHEN USED IN THIS SECTION:

(A) "ALLOWABLE LEVY GROWTH FACTOR" FOR ALL FISCAL YEARS THAT BEGIN AFTER TWO THOUSAND TWELVE SHALL BE THE HIGHER OF: (I) ONE AND TWO ONE-HUNDREDTHS; OR (II) THE SUM OF NINETY-NINE ONE-HUNDREDTHS PLUS THE INFLATION FACTOR.

(B) "AVAILABLE CARRYOVER" MEANS THE AMOUNT BY WHICH THE TAX LEVY FOR THE PRIOR FISCAL YEAR WAS BELOW THE TAX LEVY LIMIT FOR SUCH FISCAL YEAR, IF ANY, BUT NO MORE THAN AN AMOUNT THAT EQUALS ONE AND ONE-HALF PERCENT OF THE TAX LEVY LIMIT FOR SUCH FISCAL YEAR.

(C) "COMING FISCAL YEAR" MEANS THE FISCAL YEAR OF THE STATE GOVERNMENT FOR WHICH A TAX LEVY LIMIT SHALL BE DETERMINED PURSUANT TO THIS SECTION.

(D) "INFLATION FACTOR" MEANS THE QUOTIENT OF: (I) THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH PERIOD ENDING SIX MONTHS PRIOR TO THE START OF THE COMING FISCAL YEAR MINUS THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH PERIOD ENDING SIX MONTHS PRIOR TO THE START OF THE PRIOR FISCAL YEAR, DIVIDED BY: (II) THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH PERIOD ENDING SIX MONTHS PRIOR TO THE START OF THE PRIOR FISCAL YEAR, WITH THE RESULT EXPRESSED AS A DECIMAL TO FOUR PLACES.

(E) "PRIOR FISCAL YEAR" MEANS THE FISCAL YEAR OF THE STATE IMMEDIATELY PRECEDING THE COMING FISCAL YEAR.

(F) "TAX LEVY LIMIT" MEANS THE AMOUNT OF TAXES AUTHORIZED TO BE LEVIED BY OR ON BEHALF OF THE STATE PURSUANT TO THIS SECTION FOR FISCAL YEARS BEGINNING AFTER TWO THOUSAND TWELVE.

(G) "TAX" OR "TAXES" MEANS PERSONAL INCOME TAXES LEVIED BY OR ON BEHALF OF THE STATE.

3. (A) SUBJECT TO THE PROVISIONS OF SUBDIVISION FIVE OF THIS SECTION, BEGINNING WITH THE FISCAL YEAR THAT BEGINS AFTER TWO THOUSAND TWELVE, THE STATE SHALL NOT ADOPT A BUDGET THAT REQUIRES A TAX LEVY THAT IS GREATER THAN THE TAX LEVY LIMIT FOR THE COMING FISCAL YEAR.

(B) THE STATE SHALL CALCULATE THE TAX LEVY LIMIT APPLICABLE TO THE COMING FISCAL YEAR WHICH SHALL BE DETERMINED AS FOLLOWS:

(I) ASCERTAIN THE TOTAL AMOUNT OF TAXES LEVIED FOR THE PRIOR FISCAL YEAR.

(II) MULTIPLY THE RESULT BY THE ALLOWABLE LEVY GROWTH FACTOR.

(III) ADD THE AVAILABLE CARRYOVER, IF ANY.

4. IN THE EVENT THE STATE'S ACTUAL TAX LEVY FOR A GIVEN FISCAL YEAR EXCEEDS THE TAX LEVY LIMIT BY MORE THAN ONE PERCENT OF THE TAX LEVY LIMIT, THE STATE SHALL REBATE THE TOTAL AMOUNT THAT THE ACTUAL TAX LEVY EXCEEDS THE TAX LEVY LIMIT SO THAT EACH INDIVIDUAL FILER RECEIVES A REBATE OF EQUAL AMOUNT ROUNDED DOWN TO THE NEAREST CENT, PROVIDED THAT NO INDIVIDUAL SHALL RECEIVE A REBATE OF A GREATER AMOUNT THAN THE INCOME TAXES PAID DURING THE SAME FISCAL YEAR. THESE REBATES SHALL BE MAILED IN THE FORM OF CHECKS PAYABLE TO THE FILING INDIVIDUAL NO LATER THAN THE FIRST OF SEPTEMBER FOLLOWING THE END OF EACH FISCAL YEAR.

5. IN THE EVENT THE STATE'S ACTUAL TAX LEVY FOR A GIVEN FISCAL YEAR EXCEEDS THE TAX LEVY LIMIT AS ESTABLISHED PURSUANT TO THIS SECTION BY LESS THAN ONE PERCENT OF THE TAX LEVY LIMIT, THE STATE SHALL PLACE THE EXCESS AMOUNT OF THE LEVY IN RESERVE IN ACCORDANCE WITH SUCH REQUIREMENTS AS THE STATE COMPTROLLER MAY PRESCRIBE, AND SHALL USE SUCH FUNDS

AND ANY INTEREST EARNED THEREON TO OFFSET THE TAX LEVY FOR THE ENSUING FISCAL YEAR.

S 2. This act shall take effect on the first day of January next succeeding the approval and ratification by the people of a constitutional amendment to limit state spending.

PART NN

Section 1. Subparagraph (vi) of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 1 of part C of chapter 56 of the laws of 2011, is amended to read as follows:

(vi) for taxable years beginning on or after January thirty-first, two thousand seven, the amount prescribed by this paragraph for a taxpayer which is a qualified New York manufacturer, shall be computed at the rate of six and one-half (6.5) percent of the taxpayer's entire net income base. For taxable years beginning on or after January first, two thousand twelve and before January first, two thousand fifteen, the amount prescribed by this paragraph for a taxpayer which is an eligible qualified New York manufacturer shall be computed at the rate of three and one-quarter (3.25) percent of the taxpayer's entire net income base. The term "manufacturer" shall mean a taxpayer which during the taxable year is principally engaged in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture or commercial fishing. However, the generation and distribution of electricity, the distribution of natural gas, and the production of steam associated with the generation of electricity shall not be qualifying activities for a manufacturer under this subparagraph. Moreover, the combined group shall be considered a "manufacturer" for purposes of this subparagraph only if the combined group during the taxable year is principally engaged in the activities set forth in this paragraph, or any combination thereof. A taxpayer or a combined group shall be "principally engaged" in activities described above if, during the taxable year, more than fifty percent of the gross receipts of the taxpayer or combined group, respectively, are derived from receipts from the sale of goods produced by such activities. In computing a combined group's gross receipts, intercorporate receipts shall be eliminated. A "qualified New York manufacturer" is a manufacturer which has property in New York which is described in clause (A) of subparagraph (i) of paragraph (b) of subdivision twelve of this section and either (I) the adjusted basis of such property for federal income tax purposes at the close of the taxable year is at least one million dollars or (II) all of its real and personal property is located in New York. In addition, a "qualified New York manufacturer" means (A) a taxpayer which is defined as a qualified emerging technology company under paragraph (c) of subdivision one of section thirty-one hundred two-e of the public authorities law regardless of the ten million dollar limitation expressed in subparagraph one of such paragraph (c), OR (B) A TAXPAYER OR A COMBINED GROUP THAT EMPLOYS IN NEW YORK DURING THE TAXABLE YEAR AT LEAST TWO THOUSAND FIVE HUNDRED EMPLOYEES IN ANY OF THE QUALIFYING ACTIVITIES FOR A MANUFACTURER DESCRIBED IN THIS SUBPARAGRAPH AND HAS PROPERTY IN NEW YORK WHICH IS DESCRIBED IN CLAUSE (A) OF SUBPARAGRAPH (I) OF PARAGRAPH (B) OF SUBDIVISION TWELVE OF THIS SECTION, THE ADJUSTED BASIS OF WHICH FOR FEDERAL INCOME TAX PURPOSES AT THE CLOSE OF THE TAXABLE YEAR IS AT LEAST TEN MILLION DOLLARS. The commissioner shall establish guidelines and criteria that specify requirements by which a manufacturer may be classified

as an eligible qualified New York manufacturer. Criteria may include but not be limited to factors such as regional unemployment, the economic impact that manufacturing has on the surrounding community, population decline within the region and median income within the region in which the manufacturer is located. In establishing these guidelines and criteria, the commissioner shall endeavor that the total annual cost of the lower rates shall not exceed twenty-five million dollars.

S 2. Subparagraph 2 of paragraph (b) of subdivision 1 of section 210 of the tax law, as amended by section 1 of part GG-1 of chapter 57 of the laws of 2008, is amended to read as follows:

(2) For purposes of subparagraph one of this paragraph, the term "manufacturer" shall mean a taxpayer which during the taxable year is principally engaged in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture or commercial fishing. Moreover, for purposes of computing the capital base in a combined report, the combined group shall be considered a "manufacturer" for purposes of this subparagraph only if the combined group during the taxable year is principally engaged in the activities set forth in this subparagraph, or any combination thereof. A taxpayer or a combined group shall be "principally engaged" in activities described above if, during the taxable year, more than fifty percent of the gross receipts of the taxpayer or combined group, respectively, are derived from receipts from the sale of goods produced by such activities. In computing a combined group's gross receipts, intercorporate receipts shall be eliminated. A "qualified New York manufacturer" is a manufacturer that has property in New York that is described in clause (A) of subparagraph (i) of paragraph (b) of subdivision twelve of this section and either (i) the adjusted basis of that property for federal income tax purposes at the close of the taxable year is at least one million dollars or (ii) all of its real and personal property is located in New York. In addition, a "qualified New York manufacturer" means (A) a taxpayer that is defined as a qualified emerging technology company under paragraph (c) of subdivision one of section thirty-one hundred two-e of the public authorities law regardless of the ten million dollar limitation expressed in subparagraph one of such paragraph, OR (B) A TAXPAYER OR A COMBINED GROUP THAT EMPLOYS IN NEW YORK DURING THE TAXABLE YEAR AT LEAST TWO THOUSAND FIVE HUNDRED EMPLOYEES IN ANY OF THE QUALIFYING ACTIVITIES FOR A MANUFACTURER DESCRIBED IN THIS SUBPARAGRAPH AND HAS PROPERTY IN NEW YORK WHICH IS DESCRIBED IN CLAUSE (A) OF SUBPARAGRAPH (I) OF PARAGRAPH (B) OF SUBDIVISION TWELVE OF THIS SECTION, THE ADJUSTED BASIS OF WHICH FOR FEDERAL INCOME TAX PURPOSES AT THE CLOSE OF THE TAXABLE YEAR IS AT LEAST TEN MILLION DOLLARS.

S 3. This act shall take effect immediately and apply to taxable years beginning on or after January 1, 2012.

PART OO

Section 1. Subparagraph (C) of paragraph 1 of subdivision (i) of section 1136 of the tax law is REPEALED.

S 2. This act shall take effect immediately.

PART PP

Section 1. Paragraph 1 of subsection (m) of section 1452 of the tax law, as amended by section 4 of part J of chapter 61 of the laws of 2011, is amended to read as follows:

(1) Notwithstanding anything to the contrary contained in this section other than subsection (n) of this section, a corporation that was in existence before January first, two thousand eleven and was subject to tax under article nine-A of this chapter for its last taxable year beginning before January first, two thousand eleven, shall continue to be taxable under such article for all taxable years beginning on or after January first, two thousand eleven and before January first, two thousand thirteen. The preceding sentence shall not apply to any taxable year during which such corporation is a banking corporation described in paragraphs one through eight of subsection (a) of this section. Notwithstanding anything to the contrary contained in this section other than subsection (n) of this section, a banking corporation or corporation that was in existence before January first, two thousand eleven and was subject to tax under this article for its last taxable year beginning before January first, two thousand eleven, shall continue to be taxable under this article for all taxable years beginning on or after January first, two thousand eleven and before January first, two thousand thirteen [or in which] ONLY IF THE CORPORATION IS A BANKING CORPORATION AS DEFINED IN SUBSECTION (A) OF THIS SECTION OR the corporation satisfies the requirements for a corporation to elect to be taxable under this article. Provided further, that nothing in this subsection shall prohibit a corporation that elected pursuant to subsection (d) of this section to be taxable under article nine-A of this chapter from revoking that election in accordance with such subsection (d).

For purposes of this paragraph, a corporation shall be considered to be subject to tax under article nine-A of this chapter for a taxable year if such corporation was not a taxpayer but was properly included in a combined report filed pursuant to section two hundred eleven of this chapter for such taxable year and a corporation shall be considered to be subject to tax under this article for a taxable year if such corporation was not a taxpayer but was properly included in a combined return filed pursuant to subsection (f) or (g) of section fourteen hundred sixty-two of this article for such taxable year. A corporation that was in existence before January first, two thousand eleven but first becomes a taxpayer in a taxable year beginning on or after January first, two thousand eleven and before January first, two thousand thirteen, shall be considered for purposes of this paragraph to have been subject to tax under article nine-A of this chapter for its last taxable year beginning before January first, two thousand eleven if such corporation would have been subject to tax under such article for such taxable year if it had been a taxpayer during such taxable year. A corporation that was in existence before January first, two thousand eleven but first becomes a taxpayer in a taxable year beginning on or after January first, two thousand eleven and before January first, two thousand thirteen, shall be considered for purposes of this paragraph to have been subject to tax under this article for its last taxable year beginning before January first, two thousand eleven if such corporation would have been subject to tax under this article for such taxable year if it had been a taxpayer during such taxable year.

S 2. Paragraph 1 of subdivision (l) of section 11-640 of the administrative code of the city of New York, as amended by section 5 of part J of chapter 61 of the laws of 2011, is amended to read as follows:

(1) Notwithstanding anything to the contrary contained in this section other than subdivision (m) of this section, a corporation that was in existence before January first, two thousand eleven and was subject to tax under subchapter two of this chapter for its last taxable year beginning before January first, two thousand eleven, shall continue to be taxable under such subchapter for all taxable years beginning on or after January first, two thousand eleven and before January first, two thousand thirteen. The preceding sentence shall not apply to any taxable year during which such corporation is a banking corporation described in paragraphs one through eight of subdivision (a) of this section. Notwithstanding anything to the contrary contained in this section other than subdivision (m) of this section, a banking corporation or corporation that was in existence before January first, two thousand eleven and was subject to tax under this subchapter for its last taxable year beginning before January first, two thousand eleven, shall continue to be taxable under this subchapter for all taxable years beginning on or after January first, two thousand eleven and before January first, two thousand thirteen [or in which] ONLY IF THE CORPORATION IS A BANKING CORPORATION AS DEFINED IN SUBDIVISION (A) OF THIS SECTION OR the corporation satisfies the requirements for a corporation to elect to be taxable under this subchapter. Provided further, that nothing in this subdivision shall prohibit a corporation that elected pursuant to subdivision (d) of this section to be taxable under subchapter two of this chapter from revoking that election in accordance with subdivision (d) of this section. For purposes of this paragraph, a corporation shall be considered to be subject to tax under subchapter two of this chapter for a taxable year if such corporation was not a taxpayer but was properly included in a combined report filed pursuant to subdivision four of section 11-605 of this chapter for such taxable year and a corporation shall be considered to be subject to tax under this subchapter for a taxable year if such corporation was not a taxpayer but was properly included in a combined report filed pursuant to subdivision (f) or (g) of section 11-646 of this part for such taxable year. A corporation that was in existence before January first, two thousand eleven but first becomes a taxpayer in a taxable year beginning on or after January first, two thousand eleven and before January first, two thousand thirteen, shall be considered for purposes of this paragraph to have been subject to tax under subchapter two of this chapter for its last taxable year beginning before January first, two thousand eleven if such corporation would have been subject to tax under such subchapter for such taxable year if it had been a taxpayer during such taxable year. A corporation that was in existence before January first, two thousand eleven but first becomes a taxpayer in a taxable year beginning on or after January first, two thousand eleven and before January first, two thousand thirteen, shall be considered for purposes of this paragraph to have been subject to tax under this subchapter for its last taxable year beginning before January first, two thousand eleven if such corporation would have been subject to tax under this subchapter for such taxable year if it had been a taxpayer during such taxable year.

S 3. This act shall take effect immediately.

PART QQ

Section 1. The insurance law is amended by adding a new section 7013 to read as follows:

S 7013. OBLIGATIONS FOR CERTAIN TAXES. CAPTIVE INSURANCE COMPANIES LICENSED PURSUANT TO THE PROVISIONS OF THIS ARTICLE AND OPERATING UNDER THIS ARTICLE OR THE APPLICABLE PROVISIONS OF THIS CHAPTER AS OF THE EFFECTIVE DATE OF THIS ARTICLE AND CEASING TO OPERATE UNDER SUCH LICENSE AS OF DECEMBER THIRTY-FIRST, TWO THOUSAND TWELVE SHALL BE CONSIDERED AND TREATED FOR TAX PURPOSES AS AN ADMITTED LICENSED INSURER. THE SUPERINTENDENT SHALL CERTIFY TO THE COMMISSIONER OF TAXATION AND FINANCE THAT EACH CAPTIVE INSURER WHICH HAS BEEN SO LICENSED AND UNDER THE JURISDICTION OF THE DEPARTMENT OF FINANCIAL SERVICES WAS OPERATING AS A DULY LICENSED INSURER DURING THIS PERIOD, INCLUDING HAVING PAID ALL ASSESSMENTS AND EXAMINATION FEES, AND ALL PREMIUM AND FRANCHISE TAXES.

S 2. This act shall take effect immediately.

S 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

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