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

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I N S E N A T E

May 5, 2014

Introduced by Sen. RANZENHOFER -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to QEZE tax reduction credits

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

Section 1. Paragraph 1 of subdivision (f) of section 16 of the tax law, as amended by section 14 of part CC of chapter 85 of the laws of 2002, is amended to read as follows:

(1) General. The tax factor shall be, in the case of article nine-A of this chapter, the larger of the amounts of tax determined for the taxable year under paragraphs (a) and (c) of subdivision one of section two hundred ten of such article. The tax factor shall be, in the case of article twenty-two of this chapter, the tax determined for the taxable year under subsections (a) through (d) of section six hundred one of such article. FOR THE PURPOSES OF CALCULATING THE TAX FACTOR UNDER ARTICLE TWENTY-TWO OF THIS CHAPTER, INCOME ALLOCATED TO NEW YORK STATE SHALL INCLUDE ALL BUSINESS INCOME. The tax factor shall be, in the case of article thirty-two of this chapter, the larger of the amounts of tax determined for the taxable year under subsection (a) and paragraph two of subsection (b) of section fourteen hundred fifty-five of such article. The tax factor shall be, in the case of article thirty-three of this chapter, the larger of the amounts of tax determined for the taxable year under paragraphs one and three of subdivision (a) of section fifteen hundred two of such article.

S 2. Paragraph 1 of subdivision (f) of section 16 of the tax law, as amended by section 34 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

(1) General. The tax factor shall be, in the case of article nine-A of this chapter, the amount of tax determined for the taxable year under paragraph (a) of subdivision one of section two hundred ten of such article. The tax factor shall be, in the case of article twenty-two of this chapter, the tax determined for the taxable year under subsections (a) through (d) of section six hundred one of such article. FOR THE

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

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PURPOSES OF CALCULATING THE TAX FACTOR UNDER ARTICLE TWENTY-TWO OF THIS CHAPTER, INCOME ALLOCATED TO NEW YORK STATE SHALL INCLUDE ALL BUSINESS INCOME. The tax factor shall be, in the case of article thirty-three of this chapter, the larger of the amounts of tax determined for the taxable year under paragraphs one and three of subdivision (a) of section fifteen hundred two of such article.

S 3. This act shall take effect immediately; provided, however that section one of this act shall be deemed to apply to taxable years beginning on or after January 1, 2014; provided further that section two of this act shall take effect on the same date and in the same manner as section 34 of part A of chapter 59 of the laws of 2014 takes effect.