

2551

2015-2016 Regular Sessions

I N A S S E M B L Y

January 16, 2015

Introduced by M. of A. CUSICK, CRESPO, SIMANOWITZ, THIELE, MARKEY, MALLIOTAKIS, GOLDFEDER, BROOK-KRASNY, BENEDETTO, KEARNS, HEVESI, PERRY, BORELLI, CURRAN, WEPRIN, ROZIC, BRINDISI, CLARK, RODRIGUEZ, RUSSELL, DenDEKKER, GJONAJ, MILLER, SKARTADOS, MOSLEY, SALADINO, FITZPATRICK, ARROYO, TITONE, HIKIND, McDONALD, BRABENEC, CERETTO, GIGLIO -- Multi-Sponsored by -- M. of A. AUBRY, BLANKENBUSH, BRAUNSTEIN, BUTLER, COLTON, COOK, CROUCH, CYMBROWITZ, DiPIETRO, FARRELL, FINCH, GARBARINO, GOODELL, HAWLEY, JEAN-PIERRE, KATZ, KIM, KOLB, LALOR, LOPEZ, MAGEE, McLAUGHLIN, MONTESANO, NOJAY, ORTIZ, PALMESANO, PEOPLES-STOKES, PRETLOW, RA, RIVERA, SCHIMEL, SCHIMMINGER, SIMOTAS, STEC, TENNEY, TITUS, WEINSTEIN, WRIGHT -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law and the education law, in relation to enacting the "education investment incentives act"

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

1 Section 1. Short title. This act shall be known and may be cited as
2 the "education investment incentives act".
3 S 2. Legislative findings and intent. The legislature hereby finds and
4 declares that:
5 a. The education of the children of this state is one of the founda-
6 tions of a strong society that requires an academically robust and
7 financially sound school system, both public and non-public;
8 b. At a time when the state is considering ways of reducing the tax
9 burden for New York state residents and educators are seeking an expan-
10 sion of financial resources, charitable giving for educational purposes
11 should be encouraged;
12 c. Permitting public education entities such as school districts and
13 individual public schools to accept and receive voluntary cash contrib-
14 utions will be beneficial to taxpayers and educators;

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

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d. Encouraging voluntary support for education, without prejudice for or against any state-sanctioned educational enterprise, promotes the state's interest in providing the highest quality education to all children in the state;

e. The tax credit provided in this act is merely one of many credits available to New York taxpayers;

f. The intended beneficiaries of the tax credits provided in this act are the students who attend public schools, students who further their education using tuition scholarships from educational scholarship organizations, and teachers who purchase with personal funds to supply their students and classrooms, and who seek charitable donations for classroom projects and initiatives;

g. Permitting educators to claim a credit for the purchase of classroom instructional materials and supplies will insure a wider availability of such materials and supplies for all students.

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

S 42. EDUCATION INVESTMENT TAX CREDIT. (A) DEFINITIONS. FOR THE PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

1. "AUTHORIZED CONTRIBUTION" MEANS THE CONTRIBUTION AMOUNT THAT IS LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO THE TAXPAYER.

2. "CONTRIBUTION" MEANS A DONATION PAID BY CASH, CHECK, ELECTRONIC FUNDS TRANSFER, DEBIT CARD OR CREDIT CARD THAT IS MADE BY THE TAXPAYER DURING THE TAXABLE YEAR.

3. "EDUCATIONAL PROGRAM" MEANS AN ACADEMIC PROGRAM OF A PUBLIC SCHOOL THAT ENHANCES THE CURRICULUM OR ACADEMIC PROGRAM OF THE PUBLIC SCHOOL, OR PROVIDES A PRE-KINDERGARTEN PROGRAM OR AN AFTER SCHOOL PROGRAM TO THE PUBLIC SCHOOL. FOR PURPOSES OF THIS DEFINITION, THE INSTRUCTION, MATERIALS, PROGRAMS AND OTHER ACTIVITIES OFFERED BY OR THROUGH AN EDUCATIONAL PROGRAM MAY INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING FEATURES: (I) INSTRUCTION OR MATERIALS PROMOTING HEALTH, PHYSICAL EDUCATION, AND FAMILY AND CONSUMER SCIENCES; LITERARY, PERFORMING AND VISUAL ARTS; MATHEMATICS, SOCIAL STUDIES, TECHNOLOGY AND SCIENTIFIC ACHIEVEMENT; (II) INSTRUCTION OR PROGRAMMING TO MEET THE EDUCATION NEEDS OF AT-RISK STUDENTS OR STUDENTS WITH DISABILITIES, INCLUDING TUTORING OR COUNSELING; OR (III) THE USE OF SPECIALIZED INSTRUCTIONAL MATERIALS, INSTRUCTORS OR INSTRUCTION NOT PROVIDED BY A PUBLIC SCHOOL.

4. "EDUCATIONAL SCHOLARSHIP ORGANIZATION" MEANS AN ENTITY THAT (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) COMMITS FOR THE EXPENDITURE OF AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE CALENDAR YEAR AND ANY INCOME DERIVED FROM SUCH QUALIFIED CONTRIBUTIONS FOR SCHOLARSHIPS, (III) PROVIDES MORE THAN FIFTY PERCENT OF ITS SCHOLARSHIPS DURING A CALENDAR YEAR TO ELIGIBLE PUPILS WHO RESIDE IN A HOUSEHOLD THAT HAS AN INCOME NOT TO EXCEED ONE HUNDRED FIFTY PERCENT OF THE INCOME QUALIFICATION REQUIRED FOR THE REDUCED PRICE SCHOOL LUNCHES UNDER THE NATIONAL SCHOOL LUNCH ACT, PROVIDED HOWEVER, FOR THE PURPOSES OF AN EDUCATIONAL SCHOLARSHIP ORGANIZATION FULFILLING SUCH REQUIREMENT, AN EDUCATIONAL SCHOLARSHIP ORGANIZATION MAY ENTER INTO AN AGREEMENT WITH ANOTHER EDUCATIONAL SCHOLARSHIP ORGANIZATION OR ORGANIZATIONS TO JOINTLY REPORT THEIR SCHOLARSHIP INFORMATION TO MEET SUCH REQUIREMENT, (IV) PROVIDES SCHOLARSHIPS TO ELIGIBLE PUPILS FOR USE AT NOT FEWER THAN THREE NON-PUBLIC SCHOOLS, (V) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS

1 IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S OPERATING OR
2 OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN
3 FOR USE, AND (VI) IS APPROVED TO RECEIVE AUTHORIZED CONTRIBUTIONS AND
4 ISSUE CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE
5 EDUCATION LAW.

6 5. "ELIGIBLE PUPIL" MEANS A CHILD WHO (I) IS A RESIDENT, (II) IS OF
7 SCHOOL AGE IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION THIRTY-TWO
8 HUNDRED TWO OF THE EDUCATION LAW OR WHO IS FOUR YEARS OF AGE ON OR
9 BEFORE DECEMBER FIRST OF THE YEAR IN WHICH SUCH CHILD IS ENROLLED IN A
10 PRE-KINDERGARTEN PROGRAM, (III) ATTENDS OR IS ABOUT TO ATTEND A QUALI-
11 FIED SCHOOL, AND (IV) RESIDES IN A HOUSEHOLD THAT HAS A FEDERAL ADJUSTED
12 GROSS INCOME OF TWO HUNDRED FIFTY THOUSAND DOLLARS OR LESS, PROVIDED
13 HOWEVER, FOR HOUSEHOLDS WITH THREE OR MORE DEPENDENT CHILDREN, SUCH
14 INCOME LEVEL SHALL BE INCREASED BY TEN THOUSAND DOLLARS PER DEPENDENT
15 CHILD, NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS.

16 6. "LOCAL EDUCATION FUND" MEANS A NOT-FOR-PROFIT ENTITY WHICH (I) IS
17 EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION
18 FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) IS ESTABLISHED FOR
19 THE PURPOSE OF SUPPORTING AT LEAST ONE PUBLIC SCHOOL OR A PUBLIC SCHOOL
20 DISTRICT, (III) USES AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIB-
21 UTIONS RECEIVED DURING THE CALENDAR YEAR AND ANY INCOME DERIVED FROM
22 SUCH QUALIFIED CONTRIBUTIONS TO SUPPORT THE PUBLIC SCHOOL OR SCHOOLS OR
23 PUBLIC SCHOOL DISTRICT OR DISTRICTS THAT SUCH FUND HAS BEEN ESTABLISHED
24 TO SUPPORT, (IV) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY
25 INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPA-
26 RATE FROM THE FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED
27 CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE, AND (V) IS APPROVED TO
28 RECEIVE AUTHORIZED CONTRIBUTIONS AND ISSUE CERTIFICATES OF RECEIPT
29 PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW.

30 7. "NON-PUBLIC SCHOOL" MEANS ANY NOT-FOR-PROFIT PRE-KINDERGARTEN
31 PROGRAM OR ELEMENTARY OR SECONDARY SECTARIAN OR NONSECTARIAN SCHOOL
32 LOCATED IN THIS STATE, OTHER THAN A PUBLIC SCHOOL, THAT PROVIDES
33 INSTRUCTION AT ONE OR MORE LOCATIONS TO STUDENTS IN ACCORDANCE WITH
34 SUBDIVISION TWO OF SECTION THIRTY-TWO HUNDRED FOUR OF THE EDUCATION LAW.

35 8. "PUBLIC EDUCATION ENTITY" MEANS A PUBLIC SCHOOL OR A PUBLIC SCHOOL
36 DISTRICT, PROVIDED THAT SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT (I)
37 DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM
38 SUCH QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE
39 PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT'S OPERATING OR OTHER FUNDS UNTIL
40 SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE AND (II) IS
41 APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE
42 TWENTY-FIVE OF THE EDUCATION LAW.

43 9. "PUBLIC SCHOOL" MEANS ANY FREE ELEMENTARY OR SECONDARY SCHOOL IN
44 THIS STATE PURSUANT TO ARTICLE ELEVEN OF THE CONSTITUTION, BUT SHALL NOT
45 INCLUDE A CHARTER SCHOOL AUTHORIZED BY ARTICLE FIFTY-SIX OF THE EDUCA-
46 TION LAW.

47 10. "QUALIFIED CONTRIBUTION" MEANS THE AUTHORIZED CONTRIBUTION MADE BY
48 A TAXPAYER TO A PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZA-
49 TION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION FOR
50 WHICH THE CONTRIBUTION AUTHORIZATION CERTIFICATE HAS BEEN ISSUED TO THE
51 TAXPAYER FOR WHICH THE TAXPAYER HAS RECEIVED A CERTIFICATE OF RECEIPT
52 FROM SUCH ENTITY, FUND OR ORGANIZATION.

53 11. "QUALIFIED EDUCATOR" MEANS AN INDIVIDUAL WHO IS A TEACHER OR
54 INSTRUCTOR IN A QUALIFIED SCHOOL FOR AT LEAST NINE HUNDRED HOURS DURING
55 A SCHOOL YEAR.

12. "QUALIFIED SCHOOL" MEANS A PUBLIC SCHOOL OR NON-PUBLIC SCHOOL LOCATED IN THIS STATE.

13. "SCHOLARSHIP" MEANS AN EDUCATIONAL SCHOLARSHIP WHICH PROVIDES A TUITION GRANT AWARDED TO AN ELIGIBLE PUPIL TO ATTEND A QUALIFIED SCHOOL IN AN AMOUNT NOT TO EXCEED THE TUITION CHARGED TO ATTEND SUCH SCHOOL LESS ANY OTHER EDUCATIONAL SCHOLARSHIP OR TUITION GRANT RECEIVED BY SUCH ELIGIBLE PUPIL OR HIS OR HER PARENT, PARENTS, LEGAL GUARDIAN, OR LEGAL GUARDIANS FOR SUCH ELIGIBLE PUPIL'S TUITION; PROVIDED, HOWEVER, IN THE CASE OF AN ELIGIBLE PUPIL ATTENDING A PUBLIC SCHOOL IN A DISTRICT OF WHICH SUCH PUPIL IS NOT A RESIDENT, THE AMOUNT OF THE EDUCATIONAL SCHOLARSHIP AWARDED MAY NOT EXCEED THE TUITION CHARGED BY THE PUBLIC SCHOOL PURSUANT TO PARAGRAPH D OF SUBDIVISION FOUR OF SECTION THIRTY-TWO HUNDRED TWO OF THE EDUCATION LAW, BUT ONLY IF THE SCHOOL DISTRICT OF WHICH SUCH PUPIL IS A RESIDENT IS NOT REQUIRED TO PAY FOR SUCH TUITION.

14. "SCHOOL IMPROVEMENT ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTITY WHICH (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) USES AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING SUCH MONTHS TO ASSIST PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE IN THEIR PROVISION OF EDUCATIONAL PROGRAMS, EITHER BY MAKING CONTRIBUTIONS TO ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE OR PROVIDING EDUCATIONAL PROGRAMS TO, OR IN CONJUNCTION WITH, ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS LOCATED IN THIS STATE, (III) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE, AND (IV) IS APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW. SUCH TERM INCLUDES A PRE-KINDERGARTEN PROGRAM OR NOT-FOR-PROFIT ENTITY THAT ALLOWS THE TAXPAYER TO CHOOSE TO DONATE TO A PROGRAM, PROJECT OR INITIATIVE IDENTIFIED BY A QUALIFIED EDUCATOR FOR USE IN A PUBLIC SCHOOL.

(B) ALLOWANCE OF CREDIT. A TAXPAYER SUBJECT TO TAX UNDER ARTICLE NINE-A OR TWENTY-TWO OF THIS CHAPTER SHALL BE ALLOWED AN EDUCATION INVESTMENT TAX CREDIT AGAINST SUCH TAX, PURSUANT TO THE PROVISIONS REFERENCED IN SUBDIVISION (L) OF THIS SECTION, WITH RESPECT TO QUALIFIED CONTRIBUTIONS MADE DURING THE TAXABLE YEAR.

(C) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE SEVENTY-FIVE PERCENT OF THE TAXPAYER'S TOTAL QUALIFIED CONTRIBUTIONS, CAPPED AT ONE MILLION DOLLARS. A TAXPAYER THAT IS A PARTNER IN A PARTNERSHIP, MEMBER OF A LIMITED LIABILITY COMPANY OR SHAREHOLDER IN AN S CORPORATION SHALL BE ALLOWED TO CLAIM ITS PRO RATA SHARE OF THE CREDIT EARNED BY THE PARTNERSHIP, LIMITED LIABILITY COMPANY OR S CORPORATION, PROVIDED THAT SUCH A TAXPAYER SHALL NOT CLAIM CREDIT IN EXCESS OF THE LIMIT IMPOSED BY THIS SUBDIVISION.

(D) INFORMATION TO BE POSTED ON THE DEPARTMENT'S WEBSITE. THE COMMISSIONER SHALL MAINTAIN ON THE DEPARTMENT'S WEBSITE A RUNNING TOTAL OF THE AMOUNT OF AVAILABLE CREDIT FOR WHICH TAXPAYERS MAY APPLY PURSUANT TO THIS SECTION. SUCH RUNNING TOTAL SHALL BE UPDATED ON A DAILY BASIS. ADDITIONALLY, THE COMMISSIONER SHALL MAINTAIN ON THE DEPARTMENT'S WEBSITE A LIST OF THE SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCATION FUNDS AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW.

1 (E) APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES. PRIOR TO
2 MAKING A CONTRIBUTION TO A PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT
3 ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZA-
4 TION, THE TAXPAYER SHALL APPLY TO THE DEPARTMENT FOR A CONTRIBUTION
5 AUTHORIZATION CERTIFICATE FOR SUCH CONTRIBUTION. SUCH APPLICATION SHALL
6 BE IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT. THE DEPARTMENT
7 MAY ALLOW TAXPAYERS TO MAKE MULTIPLE APPLICATIONS ON THE SAME FORM,
8 PROVIDED THAT EACH CONTRIBUTION LISTED ON SUCH APPLICATION SHALL BE
9 TREATED AS A SEPARATE APPLICATION AND THAT THE DEPARTMENT SHALL ISSUE
10 SEPARATE CONTRIBUTION AUTHORIZATION CERTIFICATES FOR EACH SUCH APPLICA-
11 TION.

12 (F) CONTRIBUTION AUTHORIZATION CERTIFICATES. 1. ISSUANCE OF CERTIF-
13 ICATES. THE COMMISSIONER SHALL ISSUE CONTRIBUTION AUTHORIZATION CERTIF-
14 ICATES IN TWO PHASES. IN PHASE ONE, WHICH BEGINS ON THE FIRST DAY OF
15 JANUARY AND ENDS ON THE FIFTEENTH DAY OF JANUARY, THE COMMISSIONER SHALL
16 ACCEPT APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES.
17 COMMENCING AFTER THE FIFTH DAY OF FEBRUARY, THE COMMISSIONER SHALL ISSUE
18 CONTRIBUTION AUTHORIZATION CERTIFICATES FOR APPLICATIONS RECEIVED DURING
19 PHASE ONE, PROVIDED THAT IF THE AGGREGATE TOTAL OF THE CONTRIBUTIONS FOR
20 WHICH APPLICATIONS HAVE BEEN RECEIVED DURING PHASE ONE EXCEEDS THE
21 AMOUNT OF THE CREDIT CAP IN SUBDIVISION (H) OF THIS SECTION, THE AUTHOR-
22 IZED CONTRIBUTION AMOUNT LISTED ON EACH CONTRIBUTION AUTHORIZATION
23 CERTIFICATE SHALL EQUAL THE PRO-RATA SHARE OF THE CREDIT CAP. IF THE
24 CREDIT CAP IS NOT EXCEEDED, PHASE TWO COMMENCES ON FEBRUARY FIRST AND
25 ENDS ON DECEMBER THIRTY-FIRST. THE COMMISSIONER SHALL ISSUE CONTRIBUTION
26 AUTHORIZATION CERTIFICATES ON A FIRST-COME, FIRST SERVE BASIS BASED UPON
27 THE DATE THE DEPARTMENT RECEIVED THE TAXPAYER'S APPLICATION FOR SUCH
28 CERTIFICATE. CONTRIBUTION AUTHORIZATION CERTIFICATES FOR APPLICATIONS
29 RECEIVED DURING PHASE ONE SHALL BE MAILED NO LATER THAN THE TWENTIETH
30 DAY OF FEBRUARY. CONTRIBUTION AUTHORIZATION CERTIFICATES FOR APPLICA-
31 TIONS RECEIVED DURING PHASE TWO SHALL BE MAILED WITHIN FIVE DAYS OF
32 RECEIPT OF SUCH APPLICATIONS.

33 2. CONTRIBUTION AUTHORIZATION CERTIFICATE CONTENTS. EACH CONTRIBUTION
34 AUTHORIZATION CERTIFICATE SHALL STATE (I) THE DATE SUCH CERTIFICATE WAS
35 ISSUED, (II) THE DATE BY WHICH THE AUTHORIZED CONTRIBUTIONS LISTED IN
36 THE CERTIFICATE MUST BE MADE, WHICH SHALL BE NO LATER THAN DECEMBER
37 THIRTY-FIRST OF THE YEAR FOR WHICH THE CONTRIBUTION AUTHORIZATION
38 CERTIFICATE WAS ISSUED, (III) THE TAXPAYER'S NAME AND ADDRESS, (IV) THE
39 AMOUNT OF AUTHORIZED CONTRIBUTIONS, (V) THE CONTRIBUTION AUTHORIZATION
40 CERTIFICATE'S CERTIFICATE NUMBER, (VI) THE NAME AND ADDRESS OF THE
41 PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCA-
42 TION FUND OR EDUCATIONAL SCHOLARSHIP ORGANIZATION FOR WHICH THE TAXPAYER
43 MAY MAKE THE AUTHORIZED CONTRIBUTION, AND (VII) ANY OTHER INFORMATION
44 THAT THE COMMISSIONER DEEMS NECESSARY.

45 3. NOTIFICATION OF THE ISSUANCE OF A CONTRIBUTION AUTHORIZATION
46 CERTIFICATE. UPON ISSUANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE,
47 THE COMMISSIONER SHALL NOTIFY THE EDUCATIONAL SCHOLARSHIP ORGANIZATION,
48 PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION OR LOCAL EDUCA-
49 TION FUND OF THE ISSUANCE OF THE CONTRIBUTION AUTHORIZATION CERTIFICATE
50 TO A TAXPAYER. SUCH NOTIFICATION SHALL INCLUDE (I) THE TAXPAYER'S NAME
51 AND ADDRESS, (II) THE DATE SUCH CERTIFICATE WAS ISSUED, (III) THE DATE
52 BY WHICH THE AUTHORIZED CONTRIBUTION LISTED IN THE NOTIFICATION MUST BE
53 MADE BY THE TAXPAYER, (IV) THE AMOUNT OF THE AUTHORIZED CONTRIBUTION,
54 (V) CONTRIBUTION AUTHORIZATION CERTIFICATE, AND (VI) ANY OTHER INFORMA-
55 TION THAT THE COMMISSIONER DEEMS NECESSARY.

1 (G) CERTIFICATE OF RECEIPT. 1. IN GENERAL. NO PUBLIC EDUCATION ENTITY,
2 SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL
3 SCHOLARSHIP ORGANIZATION SHALL ISSUE A CERTIFICATE OF RECEIPT FOR ANY
4 CONTRIBUTION MADE BY A TAXPAYER UNLESS SUCH PUBLIC EDUCATION ENTITY,
5 SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL
6 SCHOLARSHIP ORGANIZATION HAS BEEN APPROVED TO ISSUE CERTIFICATES OF
7 RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW. NO PUBLIC
8 EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND,
9 OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL ISSUE A CERTIFICATE OF
10 RECEIPT FOR A CONTRIBUTION MADE BY A TAXPAYER UNLESS SUCH PUBLIC EDUCA-
11 TION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR
12 EDUCATIONAL SCHOLARSHIP ORGANIZATION HAS RECEIVED NOTICE FROM THE
13 DEPARTMENT THAT THE DEPARTMENT ISSUED A CREDIT AUTHORIZATION CERTIFICATE
14 TO THE TAXPAYER FOR SUCH CONTRIBUTION.

15 2. TIMELY CONTRIBUTION. IF A TAXPAYER MAKES AN AUTHORIZED CONTRIBUTION
16 TO THE PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL
17 EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SET FORTH ON THE
18 AUTHORIZATION CERTIFICATE ISSUED TO THE TAXPAYER NO LATER THAN THE DATE
19 BY WHICH SUCH AUTHORIZED CONTRIBUTION IS REQUIRED TO BE MADE, SUCH
20 PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCA-
21 TION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL, WITHIN THIRTY
22 DAYS OF RECEIPT OF THE AUTHORIZED CONTRIBUTION, ISSUE TO THE TAXPAYER A
23 WRITTEN CERTIFICATE OF RECEIPT; PROVIDED, HOWEVER, THAT IF THE TAXPAYER
24 CONTRIBUTES AN AMOUNT THAT IS LESS THAN THE AMOUNT LISTED ON THE TAXPAY-
25 ER'S CONTRIBUTION AUTHORIZATION CERTIFICATE, THE TAXPAYER SHALL NOT BE
26 ISSUED A CERTIFICATE OF RECEIPT FOR SUCH CONTRIBUTION.

27 3. CERTIFICATE OF RECEIPT CONTENTS. EACH CERTIFICATE OF RECEIPT SHALL
28 STATE (I) THE NAME AND ADDRESS OF THE ISSUING PUBLIC EDUCATION ENTITY,
29 SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL
30 SCHOLARSHIP ORGANIZATION, (II) THE TAXPAYER'S NAME AND ADDRESS, (III)
31 THE DATE FOR EACH CONTRIBUTION, (IV) THE AMOUNT OF EACH CONTRIBUTION AND
32 THE CORRESPONDING CONTRIBUTION AUTHORIZATION CERTIFICATE NUMBER, (V) THE
33 TOTAL AMOUNT OF CONTRIBUTIONS, AND (VI) ANY OTHER INFORMATION THAT THE
34 COMMISSIONER MAY DEEM NECESSARY.

35 4. NOTIFICATION TO THE DEPARTMENT FOR THE ISSUANCE OF A CERTIFICATE OF
36 RECEIPT. UPON THE ISSUANCE OF A CERTIFICATE OF RECEIPT, THE ISSUING
37 PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCA-
38 TION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL, WITHIN THIRTY
39 DAYS OF ISSUING THE CERTIFICATE OF RECEIPT, PROVIDE THE DEPARTMENT WITH
40 NOTIFICATION OF THE ISSUANCE OF SUCH CERTIFICATE IN THE FORM AND MANNER
41 PRESCRIBED BY THE DEPARTMENT.

42 5. NOTIFICATION TO THE DEPARTMENT OF THE NON-ISSUANCE OF A CERTIFICATE
43 OF RECEIPT. EACH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZA-
44 TION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION THAT
45 RECEIVED NOTIFICATION FROM THE DEPARTMENT PURSUANT TO SUBDIVISION (D) OF
46 THIS SECTION REGARDING THE ISSUANCE OF A CONTRIBUTION AUTHORIZATION
47 CERTIFICATE TO A TAXPAYER SHALL, WITHIN THIRTY DAYS OF THE EXPIRATION
48 DATE FOR SUCH AUTHORIZED CONTRIBUTION, PROVIDE NOTIFICATION TO THE
49 DEPARTMENT FOR EACH TAXPAYER THAT FAILED TO MAKE THE AUTHORIZED CONTRIB-
50 UTION TO SUCH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION,
51 LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION IN THE
52 FORM AND MANNER PRESCRIBED BY THE DEPARTMENT.

53 6. FAILURE TO NOTIFY THE DEPARTMENT. WITHIN THIRTY DAYS OF DISCOVERY
54 OF THE FAILURE OF ANY PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGAN-
55 IZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION
56 TO COMPLY WITH THE NOTIFICATION REQUIREMENTS PRESCRIBED BY PARAGRAPHS

1 FOUR AND FIVE OF THIS SUBDIVISION, THE COMMISSIONER SHALL ISSUE A NOTICE
2 OF COMPLIANCE FAILURE TO SUCH ENTITY, PROGRAM FUND OR ORGANIZATION. SUCH
3 ENTITY, PROGRAM FUND OR ORGANIZATION SHALL HAVE THIRTY DAYS FROM THE
4 DATE OF SUCH NOTICE TO MAKE THE NOTIFICATIONS PRESCRIBED BY PARAGRAPHS
5 FOUR AND FIVE OF THIS SUBDIVISION. SUCH PERIOD MAY BE EXTENDED FOR AN
6 ADDITIONAL THIRTY DAYS UPON THE REQUEST OF THE ENTITY, PROGRAM FUND OR
7 ORGANIZATION. UPON THE EXPIRATION OF THE PERIOD FOR COMPLIANCE SET FORTH
8 IN THE NOTICE PRESCRIBED BY THIS PARAGRAPH, THE COMMISSIONER SHALL NOTI-
9 FY THE BOARD OF REGENTS AND THE COMMISSIONER OF EDUCATION THAT SUCH
10 ENTITY, PROGRAM FUND OR ORGANIZATION FAILED TO MAKE THE NOTIFICATIONS
11 PRESCRIBED BY PARAGRAPHS FOUR AND FIVE OF THIS SUBDIVISION.

12 (H) CREDIT CAP. THE MAXIMUM PERMITTED CREDITS UNDER THIS SECTION
13 AVAILABLE TO ALL TAXPAYERS FOR QUALIFIED CONTRIBUTIONS FOR CALENDAR YEAR
14 TWO THOUSAND SIXTEEN SHALL BE ONE HUNDRED FIFTY MILLION DOLLARS. IN
15 CALENDAR YEAR TWO THOUSAND SEVENTEEN, THE MAXIMUM PERMITTED CREDITS
16 UNDER THIS SECTION AVAILABLE TO ALL TAXPAYERS SHALL BE TWO HUNDRED TWEN-
17 TY-FIVE MILLION DOLLARS PLUS ANY AMOUNTS THAT ARE REQUIRED TO BE ADDED
18 TO THE CAP PURSUANT TO SUBDIVISION (I) OF THIS SECTION. FOR CALENDAR
19 YEAR TWO THOUSAND EIGHTEEN AND EACH CALENDAR YEAR THEREAFTER, THE MAXI-
20 MUM PERMITTED CREDITS UNDER THIS SECTION AVAILABLE TO ALL TAXPAYERS
21 SHALL BE THREE HUNDRED MILLION DOLLARS, PLUS ANY AMOUNTS THAT ARE
22 REQUIRED TO BE ADDED TO THE CAP PURSUANT TO SUBDIVISION (I) OF THIS
23 SECTION. THE MAXIMUM PERMITTED CREDITS UNDER THIS SECTION FOR QUALIFIED
24 CONTRIBUTIONS SHALL BE ALLOCATED FIFTY PERCENT TO PUBLIC EDUCATION ENTI-
25 TIES, SCHOOL IMPROVEMENT ORGANIZATIONS, AND LOCAL EDUCATION FUNDS AND
26 FIFTY PERCENT TO EDUCATIONAL SCHOLARSHIP ORGANIZATIONS.

27 (I) ADDITIONS TO THE CREDIT CAP. UNISSUED CERTIFICATES OF RECEIPT. ANY
28 AMOUNTS FOR WHICH THE DEPARTMENT RECEIVES NOTIFICATION OF NON-ISSUANCE
29 OF A CERTIFICATE OF RECEIPT SHALL BE ADDED TO THE CAP PRESCRIBED IN
30 SUBDIVISION (H) OF THIS SECTION FOR THE IMMEDIATELY FOLLOWING YEAR.

31 (J) REPORTS. 1. REPORTS TO THE COMMISSIONER. ON OR BEFORE THE LAST DAY
32 OF FEBRUARY FOR EACH CALENDAR YEAR, EACH PUBLIC EDUCATION ENTITY, SCHOOL
33 IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, AND EDUCATIONAL SCHOLAR-
34 SHIP ORGANIZATION THAT ISSUED ONE OR MORE CERTIFICATES OF RECEIPT SHALL
35 REPORT TO THE COMMISSIONER THE NUMBER OF SUCH CERTIFICATES ISSUED AND
36 THE AGGREGATE AMOUNT OF QUALIFIED CONTRIBUTIONS MADE TO SUCH ENTITY,
37 FUND, OR ORGANIZATION DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR.

38 2. JOINT ANNUAL REPORT. ON OR BEFORE THE LAST DAY OF JUNE FOR EACH
39 CALENDAR YEAR, FOR THE IMMEDIATELY PRECEDING YEAR, THE COMMISSIONER AND
40 THE COMMISSIONER OF EDUCATION SHALL JOINTLY SUBMIT A WRITTEN REPORT TO
41 THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE
42 ASSEMBLY, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN
43 OF THE ASSEMBLY WAYS AND MEANS COMMITTEE REGARDING THE CREDIT. SUCH
44 REPORT SHALL CONTAIN INFORMATION FOR ARTICLES NINE-A AND TWENTY-TWO,
45 RESPECTIVELY, REGARDING: (I) THE NUMBER OF APPLICATIONS RECEIVED; (II)
46 THE NUMBER OF AND AGGREGATE VALUE OF THE CONTRIBUTION AUTHORIZATION
47 CERTIFICATES ISSUED FOR CONTRIBUTIONS TO PUBLIC EDUCATION ENTITIES,
48 SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCATION FUNDS, AND SCHOLARSHIP
49 ORGANIZATIONS, RESPECTIVELY; (III) THE GEOGRAPHICAL DISTRIBUTION BY
50 COUNTY OF (A) THE APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIF-
51 ICATES, DISTRIBUTION BY COUNTY OF (B) THE PUBLIC EDUCATION ENTITIES,
52 SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCATION FUNDS, AND EDUCATIONAL
53 SCHOLARSHIP ORGANIZATIONS LISTED ON THE ISSUED CONTRIBUTION AUTHORI-
54 ZATION CERTIFICATES; AND (IV) INFORMATION, INCLUDING GEOGRAPHICAL
55 DISTRIBUTION BY COUNTY, OF THE NUMBER OF ELIGIBLE PUPILS THAT RECEIVED
56 SCHOLARSHIPS, THE NUMBER OF ELIGIBLE PUPILS THAT RESIDE IN A HOUSEHOLD

1 THAT HAS AN INCOME NOT TO EXCEED ONE HUNDRED FIFTY PERCENT OF THE INCOME
2 QUALIFICATION REQUIRED FOR THE REDUCED PRICE SCHOOL LUNCHES UNDER THE
3 NATIONAL SCHOOL LUNCH ACT, THE NUMBER OF QUALIFIED SCHOOLS ATTENDED BY
4 ELIGIBLE PUPILS THAT RECEIVED SUCH SCHOLARSHIPS, AND THE AVERAGE VALUE
5 OF SCHOLARSHIPS RECEIVED BY SUCH ELIGIBLE PUPILS. THE COMMISSIONER AND
6 DESIGNATED EMPLOYEES OF THE STATE EDUCATION DEPARTMENT, THE BOARD OF
7 REGENTS AND ALL MEMBERS OF THE BOARD OF REGENTS, INCLUDING THE COMMISS-
8 SIONER OF EDUCATION AND DESIGNATED EMPLOYEES OF THE STATE EDUCATION
9 DEPARTMENT, SHALL BE ALLOWED AND ARE DIRECTED TO SHARE AND EXCHANGE
10 INFORMATION REGARDING THE SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCA-
11 TION FUNDS AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS THAT APPLIED FOR
12 APPROVAL TO BE AUTHORIZED TO RECEIVE QUALIFIED CONTRIBUTIONS; AND THE
13 PUBLIC EDUCATION ENTITIES, SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL
14 EDUCATION FUNDS, AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS AUTHORIZED TO
15 ISSUE CERTIFICATES OF RECEIPT, INCLUDING INFORMATION CONTAINED IN OR
16 DERIVED FROM APPLICATION FORMS AND REPORTS SUBMITTED TO THE STATE EDUCA-
17 TION DEPARTMENT OR BOARD OF REGENTS.

18 (K) CROSS REFERENCES. FOR APPLICATION OF THE CREDIT PROVIDED FOR IN
19 THIS SECTION, SEE THE FOLLOWING PROVISIONS OF THIS CHAPTER:

20 1. ARTICLE 9-A: SECTION 210-B; SUBDIVISION 49;

21 2. ARTICLE 22: SECTION 606; SUBSECTIONS (I) AND (CCC).

22 S 4. Paragraph (b) of subdivision 9 of section 208 of the tax law is
23 amended by adding a new subparagraph 22 to read as follows:

24 (22) THE AMOUNT OF ANY DEDUCTION ALLOWED PURSUANT TO SECTION ONE
25 HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE FOR WHICH CREDIT IS CLAIMED
26 PURSUANT TO SUBDIVISION FORTY-NINE OF SECTION TWO HUNDRED TEN-B OF THIS
27 ARTICLE.

28 S 5. Section 210-B of the tax law is amended by adding a new subdivi-
29 sion 49 to read as follows:

30 49. EDUCATION INVESTMENT TAX CREDIT. (A) ALLOWANCE OF CREDIT. A
31 TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN
32 SECTION FORTY-TWO OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTI-
33 CLE.

34 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION
35 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR THAT YEAR TO LESS
36 THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPH (D) OF SUBDIVI-
37 SION ONE OF SECTION TWO HUNDRED TEN OF THIS ARTICLE. HOWEVER, IF THE
38 AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR QUALIFIED CONTRIB-
39 UTIONS FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT
40 OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER
41 TO THE SUCCEEDING FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX
42 FOR SUCH YEAR OR YEARS.

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

46 (XLI) EDUCATION INVESTMENT	AMOUNT OF CREDIT UNDER SUBDIVISION
47 TAX CREDIT UNDER SUBSECTION (CCC)	FORTY-NINE OF SECTION TWO HUNDRED
48	TEN-B

49 S 7. Section 606 of the tax law is amended by adding a new subsection
50 (w) to read as follows:

51 (W) INSTRUCTIONAL MATERIALS AND SUPPLIES CREDIT. (1) FOR TAXABLE YEARS
52 BEGINNING ON AND AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, A TAXPAYER
53 SHALL BE ALLOWED A CREDIT IN THE AMOUNT PAID BY THE TAXPAYER DURING THE
54 TAXABLE YEAR FOR INSTRUCTIONAL MATERIALS AND SUPPLIES WITH RESPECT TO
55 CLASSROOM BASED INSTRUCTION IN A QUALIFIED SCHOOL, OR TWO HUNDRED
56 DOLLARS, WHICHEVER IS LESS; PROVIDED THAT THE TAXPAYER IS A TEACHER OR

INSTRUCTOR IN A QUALIFIED SCHOOL, AS DEFINED IN SECTION FORTY-TWO OF THIS CHAPTER, FOR AT LEAST NINE HUNDRED HOURS DURING A SCHOOL YEAR. FOR PURPOSES OF THIS SUBSECTION, THE TERM "MATERIALS AND SUPPLIES" MEANS AMOUNTS PAID FOR INSTRUCTIONAL MATERIALS OR SUPPLIES THAT ARE DESIGNATED FOR CLASSROOM USE IN ANY QUALIFIED SCHOOL.

(2) A HUSBAND AND WIFE WHO FILE SEPARATE RETURNS FOR A TAXABLE YEAR IN WHICH THEY COULD HAVE FILED A JOINT RETURN MAY EACH CLAIM ONLY ONE-HALF OF THE TAX CREDIT THAT WOULD HAVE BEEN ALLOWED FOR A JOINT RETURN.

(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, THAT NO INTEREST SHALL BE PAID THEREON.

S 8. Section 606 of the tax law is amended by adding a new subsection (ccc) to read as follows:

(CCC) EDUCATION INVESTMENT TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN SECTION FORTY-TWO 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 QUALIFIED CONTRIBUTIONS FOR ANY TAXABLE YEAR EXCEEDS THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS MAY BE CARRIED OVER TO THE SUCCEEDING FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

S 9. Subsection (c) of section 615 of the tax law is amended by adding a new paragraph 9 to read as follows:

(9) THE AMOUNT OF ANY FEDERAL DEDUCTION FOR CONTRIBUTIONS MADE FOR WHICH A TAXPAYER CLAIMS A CREDIT UNDER SUBSECTION (KK) OF SECTION SIX HUNDRED SIX OF THIS ARTICLE.

S 10. The education law is amended by adding a new article 25 to read as follows:

ARTICLE 25

EDUCATION INVESTMENT TAX CREDIT PROGRAM

SECTION 1209. SHORT TITLE.

1210. DEFINITIONS.

1211. APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

1212. APPLICATIONS FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

1213. APPLICATION APPROVAL.

1214. REVOCATION OF APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

1215. REPORTING AND RECORDKEEPING.

1216. JOINT ANNUAL REPORT.

1217. COMMISSIONER; POWERS.

S 1209. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "EDUCATION INVESTMENT TAX CREDIT PROGRAM".

S 1210. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

1. "AUTHORIZED CONTRIBUTION" MEANS THE CONTRIBUTION AMOUNT LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO A TAXPAYER.

2. "CONTRIBUTION" MEANS A DONATION PAID BY CASH, CHECK, ELECTRONIC FUNDS TRANSFER, DEBIT CARD OR CREDIT CARD MADE BY THE TAXPAYER DURING THE TAX YEAR.

3. "EDUCATIONAL PROGRAM" MEANS AN ACADEMIC PROGRAM OF A PUBLIC SCHOOL THAT ENHANCES THE CURRICULUM OR ACADEMIC PROGRAM OF THE PUBLIC SCHOOL, OR PROVIDES OR EXPANDS A PRE-KINDERGARTEN PROGRAM OR AN AFTER SCHOOL PROGRAM TO THE PUBLIC SCHOOL. FOR PURPOSES OF THIS DEFINITION, THE INSTRUCTION, MATERIALS, PROGRAMS OR OTHER ACTIVITIES OFFERED BY OR

1 THROUGH AN EDUCATIONAL PROGRAM MAY INCLUDE, BUT ARE NOT LIMITED TO, THE
2 FOLLOWING FEATURES: (A) INSTRUCTION OR MATERIALS PROMOTING HEALTH, PHYS-
3 ICAL EDUCATION, AND FAMILY AND CONSUMER SCIENCES; LITERARY, PERFORMING
4 AND VISUAL ARTS; MATHEMATICS, SOCIAL STUDIES, TECHNOLOGY AND SCIENTIFIC
5 ACHIEVEMENT; (B) INSTRUCTION OR PROGRAMMING TO MEET THE EDUCATION NEEDS
6 OF AT-RISK STUDENTS OR STUDENTS WITH DISABILITIES, INCLUDING TUTORING OR
7 COUNSELING; OR (C) USE OF SPECIALIZED INSTRUCTIONAL MATERIALS, INSTRU-
8 TORS OR INSTRUCTION NOT PROVIDED BY A PUBLIC SCHOOL.

9 4. "EDUCATIONAL SCHOLARSHIP ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTI-
10 TY WHICH (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION
11 (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II)
12 COMMITS FOR THE EXPENDITURE OF OR DESIGNATES AT LEAST NINETY PERCENT OF
13 THE REVENUE FROM QUALIFIED CONTRIBUTIONS RECEIVED DURING THE CALENDAR
14 YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS FOR SCHOLAR-
15 SHIPS, (III) PROVIDES MORE THAN FIFTY PERCENT OF ITS SCHOLARSHIPS DURING
16 A CALENDAR YEAR TO ELIGIBLE PUPILS WHO RESIDE IN A HOUSEHOLD THAT HAS AN
17 INCOME NOT TO EXCEED ONE HUNDRED FIFTY PERCENT OF THE INCOME QUALIFICA-
18 TION REQUIRED FOR THE REDUCED PRICE SCHOOL LUNCHES UNDER THE NATIONAL
19 SCHOOL LUNCH ACT, PROVIDED HOWEVER FOR THE PURPOSES OF AN EDUCATIONAL
20 SCHOLARSHIP ORGANIZATION FULFILLING SUCH REQUIREMENT, AN EDUCATIONAL
21 SCHOLARSHIP ORGANIZATION MAY ENTER INTO AN AGREEMENT WITH ANOTHER EDUCA-
22 TIONAL SCHOLARSHIP ORGANIZATION OR ORGANIZATIONS TO JOINTLY REPORT THEIR
23 SCHOLARSHIP INFORMATION TO MEET SUCH REQUIREMENT; (IV) DEPOSITS AND
24 HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED
25 CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S
26 OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME
27 ARE WITHDRAWN FOR USE, AND (V) PROVIDES SCHOLARSHIPS TO ELIGIBLE PUPILS
28 FOR USE AT NOT FEWER THAN THREE NON-PUBLIC SCHOOLS.

29 5. "ELIGIBLE PUPIL" MEANS A CHILD WHO (I) IS A RESIDENT OF THIS STATE,
30 (II) IS SCHOOL AGE IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION THIR-
31 TY-TWO HUNDRED TWO OF THIS CHAPTER OR WHO IS FOUR YEARS OF AGE ON OR
32 BEFORE DECEMBER FIRST OF THE YEAR IN WHICH THEY ARE ENROLLED IN A
33 PRE-KINDERGARTEN PROGRAM, (III) ATTENDS OR IS ABOUT TO ATTEND A QUALI-
34 FIED SCHOOL, AND (IV) RESIDES IN A HOUSEHOLD WHICH HAS A FEDERAL
35 ADJUSTED GROSS INCOME OF TWO HUNDRED FIFTY THOUSAND DOLLARS OR LESS,
36 PROVIDED HOWEVER, FOR HOUSEHOLDS WITH THREE OR MORE DEPENDENT CHILDREN,
37 SUCH INCOME LEVEL SHALL BE INCREASED BY TEN THOUSAND DOLLARS PER DEPEND-
38 ENT CHILD, NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS.

39 6. "LOCAL EDUCATION FUND" MEANS A NOT-FOR-PROFIT ENTITY WHICH (I) IS
40 EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION
41 FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) IS ESTABLISHED FOR
42 THE PURPOSE OF SUPPORTING AT LEAST ONE PUBLIC SCHOOL, OR A PUBLIC SCHOOL
43 DISTRICT, (III) USES AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIB-
44 UCTIONS RECEIVED DURING THE CALENDAR YEAR AND ANY INCOME DERIVED FROM
45 SUCH QUALIFIED CONTRIBUTIONS TO SUPPORT THE PUBLIC SCHOOL OR SCHOOLS OR
46 PUBLIC SCHOOL DISTRICT OR DISTRICTS THAT SUCH FUND HAS BEEN ESTABLISHED
47 TO SUPPORT, AND (IV) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY
48 INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPA-
49 RATE FROM THE FUND'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED
50 CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE.

51 7. "NON-PUBLIC SCHOOL" MEANS ANY NOT-FOR-PROFIT PRE-KINDERGARTEN
52 PROGRAM OR ELEMENTARY, SECONDARY SECTARIAN OR NONSECTARIAN SCHOOL, OTHER
53 THAN A PUBLIC SCHOOL, THAT IS PROVIDING INSTRUCTION AT ONE OR MORE
54 LOCATIONS TO AN ELIGIBLE PUPIL IN ACCORDANCE WITH SUBDIVISION TWO OF
55 SECTION THIRTY-TWO HUNDRED FOUR OF THIS CHAPTER.

1 8. "PUBLIC EDUCATION ENTITY" MEANS A PUBLIC SCHOOL DISTRICT OR A
2 PUBLIC SCHOOL, PROVIDED THAT SUCH PUBLIC SCHOOL DISTRICT OR PUBLIC
3 SCHOOL DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED
4 FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE
5 PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT'S OPERATING OR OTHER FUNDS UNTIL
6 SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE FROM OPER-
7 ATING OR OTHER FUNDS AND IS APPROVED TO RECEIVE AUTHORIZED CONTRIBUTIONS
8 AND ISSUE CERTIFICATES OF RECEIPT PURSUANT TO THIS ARTICLE.

9 9. "PUBLIC SCHOOL" MEANS ANY FREE ELEMENTARY OR SECONDARY SCHOOL IN
10 THIS STATE PURSUANT TO ARTICLE ELEVEN OF THE NEW YORK CONSTITUTION, BUT
11 SHALL NOT INCLUDE A CHARTER SCHOOL AUTHORIZED BY ARTICLE FIFTY-SIX OF
12 THIS CHAPTER.

13 10. "QUALIFIED CONTRIBUTION" MEANS THE AUTHORIZED CONTRIBUTION MADE BY
14 A TAXPAYER TO A PUBLIC EDUCATION ENTITY, LOCAL EDUCATION FUND, SCHOOL
15 IMPROVEMENT DISTRICT OR EDUCATIONAL SCHOLARSHIP ORGANIZATION THAT IS
16 LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO THE
17 TAXPAYER AND FOR WHICH THE TAXPAYER HAS RECEIVED A CERTIFICATE OF
18 RECEIPT FROM SUCH ENTITY, FUND, OR ORGANIZATION.

19 11. "QUALIFIED EDUCATOR" MEANS AN INDIVIDUAL WHO IS A TEACHER OR
20 INSTRUCTOR IN A QUALIFIED SCHOOL FOR AT LEAST NINE HUNDRED HOURS DURING
21 A SCHOOL YEAR.

22 12. "QUALIFIED SCHOOL" MEANS A PUBLIC SCHOOL OR NON-PUBLIC SCHOOL
23 LOCATED IN THIS STATE.

24 13. "SCHOLARSHIP" MEANS AN EDUCATIONAL SCHOLARSHIP WHICH PROVIDES A
25 TUITION GRANT AWARDED TO AN ELIGIBLE PUPIL TO ATTEND A QUALIFIED SCHOOL
26 IN AN AMOUNT NOT TO EXCEED THE TUITION CHARGED TO ATTEND SUCH SCHOOL
27 LESS ANY OTHER EDUCATIONAL SCHOLARSHIP RECEIVED BY SUCH ELIGIBLE PUPIL
28 OR HIS OR HER PARENT, PARENTS, LEGAL GUARDIAN OR LEGAL GUARDIANS FOR
29 SUCH ELIGIBLE PUPIL'S TUITION; PROVIDED, HOWEVER, IN THE CASE OF AN
30 ELIGIBLE PUPIL ATTENDING A PUBLIC SCHOOL IN A DISTRICT OF WHICH SUCH
31 PUPIL IS NOT A RESIDENT, THE AMOUNT OF THE EDUCATIONAL SCHOLARSHIP
32 AWARDED MAY NOT EXCEED THE TUITION CHARGED BY THE PUBLIC SCHOOL PURSUANT
33 TO PARAGRAPH D OF SUBDIVISION FOUR OF SECTION THIRTY-TWO HUNDRED TWO OF
34 THIS CHAPTER LESS ANY OTHER EDUCATIONAL SCHOLARSHIP OR TUITION GRANT
35 RECEIVED BY SUCH ELIGIBLE PUPIL OR HIS OR HER PARENT, PARENTS, LEGAL
36 GUARDIAN OR LEGAL GUARDIANS FOR SUCH ELIGIBLE PUPIL'S TUITION, BUT ONLY
37 IF THE SCHOOL DISTRICT OF WHICH SUCH PUPIL IS A RESIDENT IS NOT REQUIRED
38 TO PAY FOR SUCH TUITION.

39 14. "SCHOOL IMPROVEMENT ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTITY
40 WHICH (I) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION
41 (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE, (II) USES
42 AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING
43 THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS
44 DURING SUCH MONTHS TO ASSIST PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS
45 LOCATED IN THIS STATE IN THEIR PROVISION OF EDUCATIONAL PROGRAMS, EITHER
46 BY MAKING CONTRIBUTIONS TO ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL
47 DISTRICTS LOCATED IN THIS STATE OR PROVIDING EDUCATIONAL PROGRAMS TO, OR
48 IN CONJUNCTION WITH, ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL
49 DISTRICTS LOCATED IN THIS STATE, (III) DEPOSITS AND HOLDS QUALIFIED
50 CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN
51 ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S OPERATING OR OTHER
52 FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR
53 USE, AND (IV) IS APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO
54 THIS ARTICLE. SUCH TERM INCLUDES A PRE-KINDERGARTEN PROGRAM OR NOT-FOR-
55 PROFIT ENTITY THAT ALLOWS THE TAXPAYER TO CHOOSE TO DONATE TO A PROGRAM,

1 PROJECT OR INITIATIVE IDENTIFIED BY A QUALIFIED EDUCATOR FOR USE IN A
2 PUBLIC SCHOOL.

3 S 1211. APPROVAL TO ISSUE CERTIFICATES OF RECEIPT. 1. PUBLIC SCHOOLS
4 AND PUBLIC SCHOOL DISTRICTS. ALL PUBLIC SCHOOLS AND PUBLIC SCHOOL
5 DISTRICTS SHALL BE APPROVED TO ISSUE CERTIFICATES OF RECEIPT PROVIDED,
6 THAT A PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT SHALL NOT BE APPROVED IF
7 EITHER (I) SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT FAILS TO DEPOSIT
8 AND HOLD QUALIFIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED
9 CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPARATE FROM THE SCHOOL OR SCHOOL
10 DISTRICT'S OPERATING OR OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS
11 OR INCOME ARE WITHDRAWN FOR USE, OR (II) THE BOARD OF REGENTS HAS
12 REVOKED SUCH APPROVAL FOR SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT
13 PURSUANT TO SECTION TWELVE HUNDRED FOURTEEN OF THIS ARTICLE.

14 2. SCHOOL IMPROVEMENT ORGANIZATIONS, EDUCATIONAL SCHOLARSHIP ORGANIZA-
15 TIONS AND LOCAL EDUCATION FUNDS. NO SCHOOL IMPROVEMENT ORGANIZATION,
16 EDUCATIONAL SCHOLARSHIP ORGANIZATION OR LOCAL EDUCATION FUND SHALL ISSUE
17 ANY CERTIFICATES OF RECEIPT WITHOUT FILING AN APPLICATION PURSUANT TO
18 SECTION TWELVE HUNDRED TWELVE AND RECEIVING APPROVAL PURSUANT TO SECTION
19 TWELVE HUNDRED THIRTEEN OF THIS ARTICLE.

20 S 1212. APPLICATIONS FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.
21 EACH SCHOOL IMPROVEMENT ORGANIZATION, EDUCATIONAL SCHOLARSHIP ORGANIZA-
22 TION AND LOCAL EDUCATION FUND SHALL SUBMIT AN APPLICATION TO THE BOARD
23 OF REGENTS FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT IN THE FORM AND
24 MANNER PRESCRIBED BY THE BOARD OF REGENTS, PROVIDED THAT SUCH APPLICA-
25 TION SHALL INCLUDE: (1) SUBMISSION OF DOCUMENTATION THAT SUCH SCHOOL
26 IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND OR EDUCATIONAL SCHOLAR-
27 SHIP ORGANIZATION HAS BEEN GRANTED EXEMPTION FROM TAXATION UNDER PARA-
28 GRAPH THREE OF SUBSECTION (C) OF SECTION FIVE HUNDRED ONE OF THE INTER-
29 NAL REVENUE CODE; (2) THE MOST RECENT ANNUAL FINANCIAL AUDIT, WHICH
30 SHALL BE COMPLETED BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT, AND A
31 LIST OF NAMES AND ADDRESSES OF ALL MEMBERS OF THE GOVERNING BOARD OF THE
32 SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND OR EDUCATIONAL
33 SCHOLARSHIP ORGANIZATION; AND (3) AN EDUCATIONAL SCHOLARSHIP ORGANIZA-
34 TION SHALL PROVIDE CRITERIA FOR THE AWARDED OF SCHOLARSHIPS TO ELIGIBLE
35 STUDENTS. THE BOARD OF REGENTS, COMMISSIONER OR DEPARTMENT SHALL NOT
36 REQUIRE ANY OTHER INFORMATION FOR SUCH APPLICATION EXCEPT AS AUTHORIZED
37 IN THIS ARTICLE OR BY SECTION FORTY-TWO OF THE TAX LAW.

38 S 1213. APPLICATION APPROVAL. IN GENERAL. THE BOARD OF REGENTS SHALL
39 REVIEW EACH APPLICATION TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO
40 THIS ARTICLE. APPROVAL OR DENIAL OF AN APPLICATION SHALL BE MADE AT THE
41 NEXT SCHEDULED MEETING OF THE BOARD OF REGENTS THAT FOLLOWS RECEIPT OF
42 SUCH APPLICATION, BUT NOT LATER THAN THE NEXT MEETING THEREAFTER.

43 S 1214. REVOCATION OF APPROVAL TO ISSUE CERTIFICATES OF RECEIPT. THE
44 BOARD OF REGENTS, IN CONSULTATION WITH THE COMMISSIONER OF TAXATION AND
45 FINANCE, MAY REVOKE THE APPROVAL OF A SCHOOL IMPROVEMENT ORGANIZATION,
46 EDUCATIONAL SCHOLARSHIP ORGANIZATION, LOCAL EDUCATION FUND, PUBLIC
47 SCHOOL OR PUBLIC SCHOOL DISTRICT TO ISSUE CERTIFICATES OF RECEIPT UPON A
48 FINDING THAT SUCH ORGANIZATION, FUND, SCHOOL OR SCHOOL DISTRICT HAS
49 VIOLATED THIS ARTICLE OR SECTION FORTY-TWO OF THE TAX LAW. THESE
50 VIOLATIONS SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY OF THE FOLLOWING:
51 (1) FAILURE TO MEET THE REQUIREMENTS OF THIS ARTICLE OR SECTION
52 FORTY-TWO OF THE TAX LAW, (2) THE FAILURE TO MAINTAIN FULL AND ADEQUATE
53 RECORDS WITH RESPECT TO THE RECEIPT OF QUALIFIED CONTRIBUTIONS, (3) THE
54 FAILURE TO SUPPLY SUCH RECORDS TO THE COMMISSIONER, DEPARTMENT OF TAXA-
55 TION AND FINANCE, THE DEPARTMENT OR THE BOARD OF REGENTS WHEN REQUESTED
56 BY THE DEPARTMENT OR BOARD OF REGENTS, OR (4) THE FAILURE TO PROVIDE

1 NOTICE TO THE DEPARTMENT OF TAXATION AND FINANCE OF THE ISSUANCE OR
2 NON-ISSUANCE OF CERTIFICATES OF RECEIPT PURSUANT TO SECTION FORTY-TWO OF
3 THE TAX LAW; PROVIDED, HOWEVER, THAT THE BOARD OF REGENTS SHALL NOT
4 REVOKE APPROVAL PURSUANT TO THIS SECTION BASED UPON A VIOLATION OF TAX
5 LAW UNLESS THE COMMISSIONER OF TAXATION AND FINANCE AGREES THAT REVOCATION
6 IS WARRANTED; AND PROVIDED FURTHER THAT THE BOARD OF REGENTS SHALL
7 NOT REVOKE APPROVAL PURSUANT TO THIS SECTION WHEN THE FAILURE TO COMPLY
8 IS DUE TO CLERICAL ERROR AND NOT NEGLIGENCE OR INTENTIONAL DISREGARD FOR
9 THE LAW. WITHIN FIVE DAYS OF THE DETERMINATION REVOKING APPROVAL, THE
10 COMMISSIONER SHALL PROVIDE NOTICE OF SUCH REVOCATION TO THE EDUCATIONAL
11 SCHOLARSHIP ORGANIZATION, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION
12 FUND, PUBLIC SCHOOL, OR PUBLIC SCHOOL DISTRICT AND TO THE DEPARTMENT
13 OF TAXATION AND FINANCE.

14 S 1215. REPORTING AND RECORDKEEPING. 1. REPORTING. EACH EDUCATIONAL
15 SCHOLARSHIP ORGANIZATION, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION
16 FUND, PUBLIC SCHOOL AND PUBLIC SCHOOL DISTRICT THAT RECEIVES QUALIFIED
17 CONTRIBUTIONS SHALL REPORT TO THE COMMISSIONER AND THE BOARD OF
18 REGENTS BY THE LAST DAY OF FEBRUARY OF EACH CALENDAR YEAR. SUCH REPORT
19 SHALL BE IN THE FORM AND MANNER PRESCRIBED BY THE COMMISSIONER IN
20 CONSULTATION WITH THE BOARD OF REGENTS, WHICH SHALL INCLUDE AN ANNUAL
21 FINANCIAL AUDIT FROM AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT AND
22 SHALL NOT EXCEED THE REQUIREMENTS NECESSARY TO PRODUCE THE INFORMATION
23 PURSUANT TO SECTION TWELVE HUNDRED SIXTEEN OF THIS ARTICLE.

24 2. RECORDKEEPING. EACH EDUCATIONAL SCHOLARSHIP ORGANIZATION, SCHOOL
25 IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, PUBLIC SCHOOL AND PUBLIC
26 SCHOOL DISTRICT THAT ISSUED AT LEAST ONE CERTIFICATE OF RECEIPT SHALL
27 MAINTAIN RECORDS INCLUDING (A) NOTIFICATIONS RECEIVED FROM THE DEPARTMENT
28 OF TAXATION AND FINANCE, (B) NOTIFICATIONS MADE TO THE DEPARTMENT
29 OF TAXATION AND FINANCE, (C) COPIES OF QUALIFIED CONTRIBUTIONS RECEIVED,
30 (D) COPIES OF THE DEPOSIT OF SUCH QUALIFIED CONTRIBUTIONS, (E) COPIES OF
31 ISSUED CERTIFICATES OF RECEIPT, (F) ANNUAL FINANCIAL STATEMENTS, (G) IN
32 THE CASE OF SCHOOL IMPROVEMENT ORGANIZATIONS, EDUCATIONAL SCHOLARSHIP
33 ORGANIZATIONS AND LOCAL EDUCATION FUNDS, THE APPLICATION SUBMITTED
34 PURSUANT TO SECTION TWELVE HUNDRED TWELVE OF THIS ARTICLE AND THE
35 APPROVAL ISSUED BY THE BOARD OF REGENTS, AND (H) ANY OTHER INFORMATION
36 AS PRESCRIBED BY REGULATION PROMULGATED BY THE COMMISSIONER OR RULE
37 PROMULGATED BY THE BOARD OF REGENTS.

38 S 1216. JOINT ANNUAL REPORT. ON OR BEFORE THE LAST DAY OF JUNE FOR
39 EACH CALENDAR YEAR, THE COMMISSIONER OF TAXATION AND FINANCE AND THE
40 COMMISSIONER, JOINTLY, SHALL SUBMIT A WRITTEN REPORT AS PROVIDED IN
41 PARAGRAPH TWO OF SUBDIVISION (J) OF SECTION FORTY-TWO OF THE TAX LAW.

42 S 1217. COMMISSIONER; POWERS. THE COMMISSIONER SHALL PROMULGATE ON AN
43 EMERGENCY BASIS REGULATIONS NECESSARY FOR THE IMPLEMENTATION OF THIS
44 SECTION. THE COMMISSIONER SHALL MAKE ANY APPLICATION REQUIRED TO BE
45 FILED PURSUANT TO THIS ARTICLE AVAILABLE TO APPLICANTS WITHIN SIXTY DAYS
46 OF THE EFFECTIVE DATE OF THIS ARTICLE.

47 S 11. The education law is amended by adding a new section 1503-a to
48 read as follows:

49 S 1503-A. POWER TO ACCEPT AND SOLICIT GIFTS AND DONATIONS. 1. ALL
50 SCHOOL DISTRICTS ORGANIZED BY SPECIAL LAWS OR PURSUANT TO THE PROVISIONS
51 OF A GENERAL LAW ARE HEREBY AUTHORIZED AND EMPOWERED TO ACCEPT GIFTS,
52 DONATIONS, AND CONTRIBUTIONS TO THE DISTRICT AND TO SOLICIT THE SAME.

53 2. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER OR OF ANY OTHER
54 GENERAL OR SPECIAL LAW TO THE CONTRARY, THE RECEIPT OF SUCH GIFTS,
55 DONATIONS, CONTRIBUTIONS AND OTHER FUNDS, AND ANY INCOME DERIVED THERE-

1 FROM, SHALL BE DISREGARDED FOR THE PURPOSES OF ALL APPORTIONMENTS,
2 COMPUTATIONS, AND DETERMINATIONS OF STATE AID.

3 S 12. Severability. If any provision of this section or the applica-
4 tion thereof to any person or circumstances is held invalid, such inva-
5 lidity shall not affect other provisions or applications of the section
6 which can be given effect without the invalid provision or application,
7 and to this end the provisions of this section are declared to be sever-
8 able.

9 S 13. This act shall take effect immediately and shall apply to taxa-
10 ble years beginning after December 31, 2015.