

S. 6409--A

A. 9009--A

S E N A T E - A S S E M B L Y

January 14, 2016

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

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

AN ACT to amend the real property tax law and the tax law, in relation to transitioning the school tax relief (STAR) exemption into a personal income tax credit, and to repeal subdivision 5 of section 520 of the real property tax law relating thereto (Part A); to amend the real property tax law, in relation to the maximum amount of tax savings allowable under the STAR program (Part B); to amend the real property tax law in relation to making the income verification program mandatory (Part C); to amend the real property tax law, in relation to allowing applications for exemptions to be filed after the taxable status date in certain cases (Part D); to amend the tax law and the administrative code of the city of New York, in relation to establishing a new school tax reduction credit for residents of a city with a population over one million (Part E); to amend the real property tax law, in relation to authorizing the commissioner of taxation and finance to make direct payments of STAR tax savings to property owners in certain cases (Part F); to amend the tax law, in relation to making permanent, provisions relating to mandatory electronic filing of tax documents, improving sales tax compliance and updating tax preparer penalties; to amend chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness thereof; and to repeal certain provisions of the tax law and the administrative code of the city of New York relating thereto (Part G); to amend the public housing law, in relation to extending the credit against income tax for persons or entities investing in low-income housing (Part H); to amend the tax law, in relation to extending the hire a veteran credit for an additional two years (Part I); to amend

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

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the tax law, in relation to extending the empire state commercial production tax credit (Part J); to amend chapter 604 of the laws of 2011, amending the tax law relating to the credit for companies who provide transportation to people with disabilities, in relation to extending the expiration of such provision (Part K); to amend part I of chapter 58 of the laws of 2006, amending the tax law relating to providing an enhanced earned income tax credit, in relation to making the enhanced earned income tax credit permanent (Part L); to amend part N of chapter 61 of the laws of 2005 amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, in relation to permanently extending the disclosure and penalty provisions for transactions that present the potential for tax avoidance (Part M); to amend the tax law, in relation to extending the clean heating fuel credit for three years and updating the credit to reflect new minimum biodiesel fuel thresholds (Part N); to amend the economic development law and the tax law, in relation to extending the excelsior jobs program for five years (Part O); to amend the tax law and the administrative code of the City of New York in relation to making corrections to the corporate tax reform provisions (Part P); to amend the tax law and the administrative code of the city of New York, in relation to the time for filing reports (Part Q); to amend the tax law and the administrative code of the city of New York, in relation to the business income base rate and expanding the small business subtraction modification (Part R); to amend the education law and the tax law, in relation to enacting the "parental choice in education act" (Part S); to amend the tax law, in relation to establishing a tax credit for New York state thruway tolls (Part T); to amend chapter 109 of the laws of 2006 amending the tax law and other laws relating to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels, in relation to extending the alternative fuels tax exemptions for five years (Part U); to amend the tax law, in relation to exempting from alcoholic beverage tax certain alcoholic beverages furnished at no charge by certain licensees to customers or prospective customers at a tasting held in accordance with the alcoholic beverage control law, and to expand the beer production credit to include wine, liquor and cider (Part V); to amend the tax law, in relation to authorizing jeopardy assessments on cigarette and tobacco product taxes assessed under article 20 thereof (Part W); to amend the tax law and the administrative code of the city of New York, in relation to allowing room remarketers to purchase occupancies from hotel operators exempt from sales tax under certain circumstances (Part X); to amend the tax law, in relation to charitable contributions and charitable activities being considered in determining domicile for estate tax purposes (Part Y); to amend the state finance law, in relation to creating the aviation purpose account and ensuring that the funds deposited in the aviation purpose account are used for airport improvement projects; to amend the tax law, in relation to provide for the distribution of revenues under section 301-e of such law; to exempt sales of fuel sold for use in commercial aircraft and general aviation aircraft from the prepayment of sales tax imposed pursuant to the authority of section 1102(a) (1) (ii) of such law; and to exclude sales of fuel sold for use in commercial aircraft and general aviation aircraft from the operation of sales and use taxes imposed pursuant to the authority of section 1210(a) of such law (Part Z); to amend the racing, pari-mutuel wagering and breeding law, in relation to equine lab testing provider

restrictions removal (Part AA); to amend the racing, pari-mutuel wagering and breeding law and the tax law, in relation to reducing purse amounts paid from the VLT program and to increasing racing regulatory fee (Part BB); to amend the racing, pari-mutuel wagering and breeding law, in relation to the timing of harness track reimbursements and other technical amendments (Part CC); to amend the tax law, in relation to the payment of vendors' fees (Part DD); to amend the tax law, in relation to vendor fees at vendor tracks (Part EE); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provision thereof; and to amend the racing, pari-mutuel and breeding law, in relation to extending certain provisions thereof (Part FF); to amend the tax law, in relation to capital awards to vendor tracks (Part GG); and to amend the state finance law, in relation to allocations from the commercial gaming revenue fund; to amend the tax law, in relation to commissions payable to certain vendor racetracks (Part HH); to amend the tax law, in relation to further clarifying disclosure procedures regarding medical marihuana (Part II); to amend the real property tax law, in relation to STAR recoupment program (Part JJ); and to amend the tax law and the state finance law, in relation to the fees associated with a certificate of registration and decal imposed by article 21 of the tax law for certain vehicles operating on public highways in New York state (Part KK)

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

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

12 PART A

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

17 (a) Generally. All owners of the property who primarily reside thereon
18 AND WHO ARE NOT SUBJECT TO THE PROVISIONS OF SUBDIVISION SIXTEEN OF THIS

1 SECTION must jointly file an application for exemption with the assessor
2 on or before the appropriate taxable status date. Such application may
3 be filed by mail if it is enclosed in a postpaid envelope properly
4 addressed to the appropriate assessor, deposited in a post office or
5 official depository under the exclusive care of the United States postal
6 service, and postmarked by the United States postal service on or before
7 the applicable taxable status date. Each such application shall be made
8 on a form prescribed by the commissioner, which shall require the appli-
9 cant or applicants to agree to notify the assessor if their primary
10 residence changes while their property is receiving the exemption. The
11 assessor may request that proof of residency be submitted with the
12 application. If the applicant requests a receipt from the assessor as
13 proof of submission of the application, the assessor shall provide such
14 receipt. If such request is made by other than personal request, the
15 applicant shall provide the assessor with a self-addressed postpaid
16 envelope in which to mail the receipt.

17 S 2. Section 425 of the real property tax law is amended by adding a
18 new subdivision 16 to read as follows:

19 16. TRANSITION TO PERSONAL INCOME TAX CREDIT. (A) BEGINNING WITH
20 ASSESSMENT ROLLS USED TO LEVY SCHOOL DISTRICT TAXES FOR THE TWO THOUSAND
21 SIXTEEN--TWO THOUSAND SEVENTEEN SCHOOL YEAR, NO APPLICATION FOR AN
22 EXEMPTION UNDER THIS SECTION MAY BE FILED OR APPROVED UNLESS AT LEAST
23 ONE OF THE APPLICANTS HELD TITLE TO THE PROPERTY ON THE TAXABLE STATUS
24 DATE OF THE ASSESSMENT ROLL THAT WAS USED TO LEVY SCHOOL DISTRICT TAXES
25 FOR THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL YEAR AND THE
26 PROPERTY WAS GRANTED AN EXEMPTION PURSUANT TO THIS SECTION ON THAT
27 ASSESSMENT ROLL. IN THE EVENT THAT AN APPLICATION IS SUBMITTED TO THE
28 ASSESSOR THAT CANNOT BE APPROVED DUE TO THIS RESTRICTION, THE ASSESSOR
29 SHALL NOTIFY THE APPLICANT THAT HE OR SHE IS REQUIRED BY LAW TO DENY THE
30 APPLICATION, BUT THAT, IN LIEU OF A STAR EXEMPTION, THE APPLICANT MAY
31 CLAIM THE PERSONAL INCOME TAX CREDIT AUTHORIZED BY SUBSECTION (EEE) OF
32 SECTION SIX HUNDRED SIX OF THE TAX LAW IF ELIGIBLE, AND THAT THE APPLI-
33 CANT MAY CONTACT THE DEPARTMENT OF TAXATION AND FINANCE FOR FURTHER
34 INFORMATION. THE COMMISSIONER SHALL PROVIDE A FORM FOR ASSESSORS TO
35 USE, AT THEIR OPTION, WHEN MAKING THIS NOTIFICATION. NO STAR EXEMPTION
36 MAY BE GRANTED ON THE BASIS OF AN APPLICATION THAT IS NOT APPROVABLE DUE
37 TO THIS RESTRICTION.

38 (B) IF THE OWNERS OF A PARCEL THAT IS RECEIVING THE STAR EXEMPTION
39 AUTHORIZED BY THIS SECTION WANT TO CLAIM THE PERSONAL INCOME TAX CREDIT
40 AUTHORIZED BY SUBSECTION (EEE) OF SECTION SIX HUNDRED SIX OF THE TAX LAW
41 IN LIEU OF SUCH EXEMPTION, THEY ALL MUST RENOUNCE THAT EXEMPTION IN THE
42 MANNER PROVIDED BY SECTION FOUR HUNDRED NINETY-SIX OF THIS CHAPTER, AND
43 MUST PAY ANY REQUIRED TAXES, INTEREST AND PENALTIES, ON OR BEFORE DECEM-
44 BER THIRTY-FIRST OF THE TAXABLE YEAR FOR WHICH THEY WANT TO CLAIM THE
45 CREDIT. ANY SUCH RENUNCIATION SHALL BE IRREVOCABLE.

46 (C) THE PROVISIONS OF THIS SUBDIVISION SHALL APPLY TO ALL APPLICATIONS
47 FOR STAR EXEMPTIONS BEGINNING WITH ASSESSMENT ROLLS USED TO LEVY SCHOOL
48 DISTRICT TAXES FOR THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN
49 SCHOOL YEAR, INCLUDING THOSE SUBMITTED PRIOR TO THE EFFECTIVE DATE OF
50 THIS SUBDIVISION. IF ANY APPLICATION WAS APPROVED PRIOR TO THE EFFECTIVE
51 DATE OF THIS SUBDIVISION THAT IS NOT APPROVABLE HEREUNDER, SUCH APPROVAL
52 SHALL BE DEEMED VOID, AND THE ASSESSOR SHALL PROVIDE THE APPLICANT WITH
53 THE NOTICE REQUIRED BY PARAGRAPH (A) OF THIS SUBDIVISION.

54 S 3. Subdivision 2 of section 496 of the real property tax law, as
55 added by section 3 of part N of chapter 58 of the laws of 2011, is
56 amended to read as follows:

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

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

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

18 (c) A processing fee of five hundred dollars shall be added to the sum
19 determined pursuant to paragraph (b) of this subdivision, UNLESS THE
20 PROVISIONS OF PARAGRAPH (D) OF THIS SUBDIVISION ARE APPLICABLE.

21 (D) IF THE APPLICANT IS RENOUNCING A STAR EXEMPTION IN ORDER TO QUALI-
22 FY FOR THE PERSONAL INCOME TAX CREDIT AUTHORIZED BY SUBSECTION (EEE) OF
23 SECTION SIX HUNDRED SIX OF THE TAX LAW, AND NO OTHER EXEMPTIONS ARE
24 BEING RENOUNCED ON THE SAME APPLICATION, NO PROCESSING FEE SHALL BE
25 APPLICABLE.

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

28 3. For purposes of any fiscal year or years during which title to such
29 property is transferred, such property shall be deemed to have been
30 omitted and the assessed value thereof shall be entered on the assess-
31 ment roll to be used for the next tax levy by or for each municipal
32 corporation in which such property is located in the same manner as
33 provided by title three of article five of this chapter with respect to
34 a parcel omitted from the assessment roll of the previous year. A pro
35 rata tax shall be extended against the property for the unexpired
36 portion of each fiscal year. Such real property shall be taxed at the
37 tax rate or tax rates for the fiscal year during which the transfer
38 occurred. The amount of tax or taxes levied pursuant to this subdivi-
39 sion shall be deducted from the aggregate amount of taxes to be levied
40 for the fiscal year immediately succeeding the fiscal year during which
41 the transfer occurred; PROVIDED, HOWEVER, THAT WHERE THE PROPERTY IS
42 RECEIVING A SCHOOL TAX RELIEF (STAR) EXEMPTION AUTHORIZED BY SECTION
43 FOUR HUNDRED TWENTY-FIVE OF THIS CHAPTER, THE PORTION OF THE TAX OR
44 TAXES LEVIED THAT EQUALS THE RECOVERED STAR TAX SAVINGS SHALL BE APPLIED
45 TO REDUCE THE AMOUNT OF AID PAYABLE TO THE SCHOOL DISTRICT UNDER SUBDI-
46 VISION THREE OF SECTION THIRTEEN HUNDRED SIX-A OF THIS CHAPTER.

47 S 5. Subdivision 5 of section 520 of the real property tax law is
48 REPEALED.

49 S 6. Section 606 of the tax law is amended by adding a new subsection
50 (eee) to read as follows:

51 (EEE) SCHOOL TAX RELIEF (STAR) CREDIT. (1) DEFINITIONS. FOR PURPOSES
52 OF THIS SUBSECTION:

53 (A) "QUALIFIED TAXPAYER" MEANS A RESIDENT INDIVIDUAL OF THE STATE, WHO
54 MAINTAINED HIS OR HER PRIMARY RESIDENCE IN THIS STATE ON DECEMBER THIR-
55 TY-FIRST OF THE TAXABLE YEAR, WHO WAS AN OWNER OF THAT PROPERTY ON THAT
56 DATE, WHO CANNOT RECEIVE THE STAR EXEMPTION ON THAT PROPERTY EITHER

1 BECAUSE (I) HE OR SHE IS PRECLUDED FROM FILING AN APPLICATION FOR THE
2 STAR EXEMPTION ON THAT PROPERTY PURSUANT TO PARAGRAPH (A) OF SUBDIVISION
3 SIXTEEN OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX
4 LAW, OR BECAUSE (II) HE OR SHE HAS IRREVOCABLY RENOUNCED HIS OR HER
5 CLAIM TO SUCH EXEMPTION IN CONJUNCTION WITH ALL OTHER OWNERS PURSUANT TO
6 PARAGRAPH (B) OF SUCH SUBDIVISION, AND WHO IS REQUIRED OR CHOOSES TO
7 FILE A RETURN UNDER THIS ARTICLE.

8 (B) "AFFILIATED INCOME" SHALL MEAN THE COMBINED INCOME OF ALL OF THE
9 OWNERS OF THE PARCEL WHO RESIDED PRIMARILY THEREON AS OF DECEMBER THIR-
10 TY-FIRST OF THE TAXABLE YEAR, AND OF ANY OWNERS' SPOUSES RESIDING PRIMA-
11 RILY THEREON AS OF SUCH DATE; PROVIDED THAT THE INCOME TO BE SO COMBINED
12 SHALL BE THE "ADJUSTED GROSS INCOME" FOR THE TAXABLE YEAR AS REPORTED
13 FOR FEDERAL INCOME TAX PURPOSES, OR THAT WOULD BE REPORTED AS ADJUSTED
14 GROSS INCOME IF A FEDERAL INCOME TAX RETURN WERE REQUIRED TO BE FILED,
15 REDUCED BY DISTRIBUTIONS, TO THE EXTENT INCLUDED IN FEDERAL ADJUSTED
16 GROSS INCOME, RECEIVED FROM AN INDIVIDUAL RETIREMENT ACCOUNT AND AN
17 INDIVIDUAL RETIREMENT ANNUITY.

18 (C) "ASSOCIATED FISCAL YEAR" MEANS THE SCHOOL DISTRICT FISCAL YEAR
19 THAT BEGAN ON JULY FIRST OF THE TAXABLE YEAR OR, IN THE CASE OF A CITY
20 SCHOOL DISTRICT THAT IS SUBJECT TO ARTICLE FIFTY-TWO OF THE EDUCATION
21 LAW, THE CITY FISCAL YEAR THAT BEGAN ON JULY FIRST OF THE TAXABLE YEAR.

22 (D) "OWNER" MEANS:

23 (I) A PERSON WHO OWNS A PARCEL IN FEE SIMPLE ABSOLUTE OR AS A TENANT
24 IN COMMON, A JOINT TENANT OR A TENANT BY THE ENTIRETY,

25 (II) AN OWNER OF A PRESENT INTEREST IN A PARCEL UNDER A LIFE ESTATE,

26 (III) A VENDEE IN POSSESSION UNDER AN INSTALLMENT CONTRACT OF SALE,

27 (IV) A BENEFICIAL OWNER UNDER A TRUST,

28 (V) A TENANT-STOCKHOLDER OF A COOPERATIVE APARTMENT CORPORATION WHO
29 RESIDES IN A PORTION OF REAL PROPERTY OWNED BY SUCH COOPERATIVE APART-
30 MENT CORPORATION, TO THE EXTENT REPRESENTED BY HIS OR HER SHARE OR
31 SHARES OF STOCK IN SUCH CORPORATION AS DETERMINED BY ITS OR THEIR
32 PROPORTIONAL RELATIONSHIP TO THE TOTAL OUTSTANDING STOCK OF THE CORPO-
33 RATION, INCLUDING THAT OWNED BY THE CORPORATION,

34 (VI) A RESIDENT OF A FARM DWELLING THAT IS OWNED EITHER BY A CORPO-
35 RATION OF WHICH THE RESIDENT IS A SHAREHOLDER, A PARTNERSHIP OF WHICH
36 THE RESIDENT IS A PARTNER, OR BY A LIMITED LIABILITY COMPANY OF WHICH
37 THE RESIDENT IS AN OWNER, OR

38 (VII) A RESIDENT OF A DWELLING, OTHER THAN A FARM DWELLING, THAT IS
39 OWNED BY A LIMITED PARTNERSHIP OF WHICH THE RESIDENT IS A PARTNER,
40 PROVIDED THAT THE LIMITED PARTNERSHIP THAT HOLDS TITLE TO THE PROPERTY
41 DOES NOT ENGAGE IN ANY COMMERCIAL ACTIVITY, THAT THE LIMITED PARTNERSHIP
42 WAS LAWFULLY CREATED TO HOLD TITLE SOLELY FOR ESTATE PLANNING AND ASSET
43 PROTECTION PURPOSES, AND THAT THE PARTNER OR PARTNERS WHO PRIMARILY
44 RESIDE THEREON PERSONALLY PAY ALL OF THE REAL PROPERTY TAXES AND OTHER
45 COSTS ASSOCIATED WITH THE PROPERTY'S OWNERSHIP.

46 (E) "QUALIFYING TAXES" MEANS THE SCHOOL DISTRICT TAXES THAT WERE
47 LEVIED UPON THE TAXPAYER'S PRIMARY RESIDENCE FOR THE ASSOCIATED FISCAL
48 YEAR THAT WERE ACTUALLY PAID BY THE TAXPAYER DURING THE TAXABLE YEAR;
49 OR, IN THE CASE OF A CITY SCHOOL DISTRICT THAT IS SUBJECT TO ARTICLE
50 FIFTY-TWO OF THE EDUCATION LAW, THE COMBINED CITY AND SCHOOL DISTRICT
51 TAXES THAT WERE LEVIED UPON THE TAXPAYER'S PRIMARY RESIDENCE FOR THE
52 ASSOCIATED FISCAL YEAR THAT WERE ACTUALLY PAID BY THE TAXPAYER DURING
53 THE TAXABLE YEAR. IN NO CASE SHALL THE TERM "QUALIFYING TAXES" BE
54 CONSTRUED TO INCLUDE PENALTIES OR INTEREST.

1 (F) "STAR EXEMPTION" MEANS THE SCHOOL TAX RELIEF (STAR) EXEMPTION
2 AUTHORIZED BY SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX
3 LAW.

4 (G) "STAR TAX SAVINGS" MEANS THE TAX SAVING ATTRIBUTABLE TO THE STAR
5 EXEMPTION WITHIN A PORTION OF A SCHOOL DISTRICT, AS DETERMINED BY THE
6 COMMISSIONER PURSUANT TO SUBDIVISION TWO OF SECTION THIRTEEN HUNDRED
7 SIX-A OF THE REAL PROPERTY TAX LAW.

8 (H) "STAR TAX SAVINGS FIGURE" MEANS THE AVERAGE OF THE STAR TAX
9 SAVINGS IN THE VARIOUS PORTIONS OF A SCHOOL DISTRICT IN THE ASSOCIATED
10 FISCAL YEAR, AS DETERMINED BY THE COMMISSIONER. TWO STAR TAX SAVINGS
11 FIGURES SHALL BE DETERMINED FOR EACH SCHOOL DISTRICT, ONE RELATING TO
12 THE BASIC STAR EXEMPTION, AND THE OTHER RELATING TO THE ENHANCED STAR
13 EXEMPTION.

14 (2) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CRED-
15 IT AS PROVIDED IN PARAGRAPH THREE OR FOUR OF THIS SUBSECTION, WHICHEVER
16 IS APPLICABLE, AGAINST THE TAXES IMPOSED BY THIS ARTICLE REDUCED BY THE
17 CREDITS PERMITTED BY THIS ARTICLE, PROVIDED THAT THE REQUIREMENTS SET
18 FORTH IN THE APPLICABLE SUBSECTION ARE SATISFIED. IF THE CREDIT EXCEEDS
19 THE TAX AS SO REDUCED FOR SUCH YEAR UNDER THIS ARTICLE, THE EXCESS SHALL
20 BE TREATED AS AN OVERPAYMENT, TO BE CREDITED OR REFUNDED, WITHOUT INTER-
21 EST. IF A QUALIFIED TAXPAYER IS NOT REQUIRED TO FILE A RETURN PURSUANT
22 TO SECTION SIX HUNDRED FIFTY-ONE OF THIS ARTICLE, A QUALIFIED TAXPAYER
23 MAY NEVERTHELESS RECEIVE THE FULL AMOUNT OF THE CREDIT TO BE CREDITED OR
24 REPAYED AS AN OVERPAYMENT, WITHOUT INTEREST.

25 (3) DETERMINATION OF BASIC STAR CREDIT. (A) BEGINNING WITH TAXABLE
26 YEARS AFTER TWO THOUSAND FIFTEEN, A BASIC STAR CREDIT SHALL BE AVAILABLE
27 TO A QUALIFIED TAXPAYER IF THE AFFILIATED INCOME OF THE PARCEL THAT
28 SERVES AS THE TAXPAYER'S PRIMARY RESIDENCE IS LESS THAN OR EQUAL TO FIVE
29 HUNDRED THOUSAND DOLLARS.

30 (B) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (C) OF THIS PARAGRAPH,
31 SUCH BASIC STAR CREDIT SHALL BE THE LESSER OF:

32 (I) THE BASIC STAR TAX SAVINGS FIGURE FOR THE SCHOOL DISTRICT, OR

33 (II) THE TAXPAYER'S QUALIFYING TAXES.

34 (C) IF THE QUALIFYING TAXES PAID BY THE TAXPAYER CONSTITUTED ONLY A
35 PORTION OF THE TOTAL SCHOOL DISTRICT TAXES THAT WERE LEVIED UPON THE
36 TAXPAYER'S PRIMARY RESIDENCE FOR THE ASSOCIATED FISCAL YEAR OR, IN THE
37 CASE OF A CITY SCHOOL DISTRICT THAT IS SUBJECT TO ARTICLE FIFTY-TWO OF
38 THE EDUCATION LAW, IF THE QUALIFYING TAXES PAID BY THE TAXPAYER CONSTI-
39 TUTED ONLY A PORTION OF THE TOTAL COMBINED CITY AND SCHOOL DISTRICT
40 TAXES THAT WERE LEVIED UPON THE TAXPAYER'S PRIMARY RESIDENCE FOR THE
41 ASSOCIATED FISCAL YEAR, THE CREDIT ALLOWABLE TO SUCH TAXPAYER SHALL BE
42 EQUAL TO THE AMOUNT DETERMINED PURSUANT TO SUBPARAGRAPH (B) OF THIS
43 PARAGRAPH MULTIPLIED BY THE PERCENTAGE THAT SUCH PORTION REPRESENTS.

44 (4) DETERMINATION OF ENHANCED STAR CREDIT. (A) BEGINNING WITH TAXABLE
45 YEARS AFTER TWO THOUSAND FIFTEEN, AN ENHANCED STAR CREDIT SHALL BE
46 AVAILABLE TO A QUALIFIED TAXPAYER WHERE BOTH OF THE FOLLOWING CONDITIONS
47 ARE SATISFIED:

48 (I) ALL OF THE OWNERS OF THE PARCEL THAT SERVES AS THE TAXPAYER'S
49 PRIMARY RESIDENCE ARE AT LEAST SIXTY-FIVE YEARS OF AGE AS OF DECEMBER
50 THIRTY-FIRST OF THE TAXABLE YEAR OR, IN THE CASE OF PROPERTY OWNED BY A
51 MARRIED COUPLE OR BY SIBLINGS, AT LEAST ONE OF THE OWNERS IS AT LEAST
52 SIXTY-FIVE YEARS OF AGE AS OF THAT DATE. THE TERMS "SIBLINGS" AS USED
53 HEREIN SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION FOUR HUNDRED
54 SIXTY-SEVEN OF THE REAL PROPERTY TAX LAW. IN THE CASE OF PROPERTY OWNED
55 BY A MARRIED COUPLE, ONE OF WHOM IS SIXTY-FIVE YEARS OF AGE OR OVER, THE
56 CREDIT, ONCE ALLOWED, SHALL NOT BE DISALLOWED BECAUSE OF THE DEATH OF

1 THE OLDER SPOUSE SO LONG AS THE SURVIVING SPOUSE IS AT LEAST SIXTY-TWO
2 YEARS OF AGE AS OF DECEMBER THIRTY-FIRST OF THE TAXABLE YEAR.

3 (II) THE AFFILIATED INCOME OF THE PARCEL THAT SERVES AS THE TAXPAYER'S
4 PRIMARY RESIDENCE IS LESS THAN OR EQUAL TO THE INCOME STANDARD FOR THE
5 TAXABLE YEAR ESTABLISHED BY THE COMMISSIONER FOR THE CORRESPONDING
6 "INCOME TAX YEAR" PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH (I) OF PARA-
7 GRAPH (B) OF SUBDIVISION FOUR OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE
8 REAL PROPERTY TAX LAW FOR PURPOSES OF THE ENHANCED STAR EXEMPTION.

9 (B) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (C) OF THIS PARAGRAPH,
10 SUCH CREDIT SHALL BE THE LESSER OF:

11 (I) THE ENHANCED STAR TAX SAVINGS FIGURE FOR THE SCHOOL DISTRICT, OR

12 (II) THE TAXPAYER'S QUALIFYING TAXES.

13 (C) IF THE QUALIFYING TAXES PAID BY THE TAXPAYER CONSTITUTED ONLY A
14 PORTION OF THE TOTAL SCHOOL DISTRICT TAXES THAT WERE LEVIED UPON THE
15 TAXPAYER'S PRIMARY RESIDENCE FOR THE ASSOCIATED FISCAL YEAR OR, IN THE
16 CASE OF A CITY SCHOOL DISTRICT THAT IS SUBJECT TO ARTICLE FIFTY-TWO OF
17 THE EDUCATION LAW, IF THE QUALIFYING TAXES PAID BY THE TAXPAYER CONSTI-
18 TUTED ONLY A PORTION OF THE TOTAL COMBINED CITY AND SCHOOL DISTRICT
19 TAXES THAT WERE LEVIED UPON THE TAXPAYER'S PRIMARY RESIDENCE FOR THE
20 ASSOCIATED FISCAL YEAR, THE CREDIT ALLOWABLE TO SUCH TAXPAYER SHALL BE
21 EQUAL TO THE AMOUNT DETERMINED PURSUANT TO SUBPARAGRAPH (B) OF THIS
22 PARAGRAPH MULTIPLIED BY THE PERCENTAGE THAT SUCH PORTION REPRESENTS.

23 (5) DISQUALIFICATION. A TAXPAYER SHALL NOT QUALIFY FOR THE CREDIT
24 AUTHORIZED BY THIS SUBSECTION IF THE PARCEL THAT SERVES AS THE TAXPAY-
25 ER'S PRIMARY RESIDENCE RECEIVED THE STAR EXEMPTION ON THE ASSESSMENT
26 ROLL UPON WHICH SCHOOL DISTRICT TAXES FOR THE ASSOCIATED FISCAL YEAR
27 WHERE LEVIED. PROVIDED, HOWEVER, THAT THE TAXPAYER MAY REMOVE THIS
28 DISQUALIFICATION BY RENOUNCING THE EXEMPTION AND MAKING ANY REQUIRED
29 PAYMENTS BY DECEMBER THIRTY-FIRST OF THE TAXABLE YEAR, AS PROVIDED BY
30 SUBDIVISION SIXTEEN OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL
31 PROPERTY TAX LAW.

32 (6) SPECIAL CASES. (A) IN THE CASE OF PROPERTY CONSISTING OF A COOPER-
33 ATIVE APARTMENT CORPORATION THAT IS DESCRIBED BY PARAGRAPH (K) OF SUBDI-
34 VISION TWO OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX
35 LAW, THE AMOUNT OF THE CREDIT ALLOWABLE WITH RESPECT TO A COOPERATIVE
36 APARTMENT SHALL BE EQUAL TO SIXTY PERCENT OF THE BASIC STAR TAX SAVINGS
37 FIGURE FOR THE SCHOOL DISTRICT, OR SIXTY PERCENT OF THE ENHANCED STAR
38 TAX SAVINGS FIGURE FOR THE SCHOOL DISTRICT, WHICHEVER IS APPLICABLE.
39 PROVIDED, HOWEVER, THAT IN THE CASE OF A COOPERATIVE APARTMENT CORPO-
40 RATION THAT IS DESCRIBED BY SUBPARAGRAPH (IV) OF PARAGRAPH (K) OF SUBDI-
41 VISION TWO OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX
42 LAW, THE CREDIT ALLOWABLE WITH RESPECT TO A COOPERATIVE APARTMENT SHALL
43 BE EQUAL TO TWENTY PERCENT OF SUCH FIGURE.

44 (B) IN THE CASE OF PROPERTY CONSISTING OF A MOBILE HOME THAT IS
45 DESCRIBED IN PARAGRAPH (1) OF SUBDIVISION TWO OF SECTION FOUR HUNDRED
46 TWENTY-FIVE OF THE REAL PROPERTY TAX LAW, THE AMOUNT OF THE CREDIT
47 ALLOWABLE WITH RESPECT TO SUCH MOBILE HOME SHALL BE EQUAL TO TWENTY-FIVE
48 PERCENT OF THE BASIC STAR TAX SAVINGS FIGURE FOR THE SCHOOL DISTRICT,
49 OR TWENTY-FIVE PERCENT OF THE ENHANCED STAR TAX SAVINGS FIGURE FOR THE
50 SCHOOL DISTRICT, WHICHEVER IS APPLICABLE.

51 (C) IN THE CASE OF A PRIMARY RESIDENCE THAT IS LOCATED IN TWO OR MORE
52 SCHOOL DISTRICTS, THE APPLICABLE BASIC OR ENHANCED STAR TAX SAVINGS
53 FIGURE SHALL BE DETERMINED AS FOLLOWS:

54 (I) DETERMINE THE SUM OF THE TOTAL SCHOOL DISTRICT TAXES THAT WERE
55 LEVIED UPON THE TAXPAYER'S PRIMARY RESIDENCE FOR THE ASSOCIATED FISCAL
56 YEAR BY EACH OF THE SCHOOL DISTRICTS IN WHICH THE RESIDENCE IS LOCATED;

1 (II) FOR EACH SUCH SCHOOL DISTRICT, DIVIDE THE TOTAL SCHOOL DISTRICT
2 TAXES THAT WERE LEVIED UPON THE TAXPAYER'S PRIMARY RESIDENCE BY THAT
3 SCHOOL DISTRICT FOR THE ASSOCIATED FISCAL YEAR BY THE SUM DETERMINED IN
4 CLAUSE (I) OF THIS SUBPARAGRAPH. EXPRESS THE RESULT AS A PERCENTAGE WITH
5 TWO DECIMAL PLACES;

6 (III) FOR EACH SUCH SCHOOL DISTRICT, MULTIPLY THE PERCENTAGE DETER-
7 MINED IN CLAUSE (II) OF THIS SUBPARAGRAPH BY THE BASIC OR ENHANCED STAR
8 TAX SAVINGS FIGURE, WHICHEVER IS APPLICABLE; AND

9 (IV) ADD THE PRODUCTS DETERMINED IN CLAUSE (III) OF THIS SUBPARAGRAPH.

10 (7) DISCLOSURE OF INCOMES. WHERE THE COMMISSIONER HAS DENIED A TAXPAY-
11 ER'S CLAIM FOR THE CREDIT AUTHORIZED BY THIS SUBSECTION IN WHOLE OR IN
12 PART ON THE GROUNDS THAT THE AFFILIATED INCOME OF THE PARCEL IN QUESTION
13 EXCEEDS THE APPLICABLE LIMIT, THE COMMISSIONER SHALL HAVE THE AUTHORITY
14 TO REVEAL TO THAT TAXPAYER THE NAMES AND INCOMES OF THE OTHER TAXPAYERS
15 WHOSE INCOMES WERE INCLUDED IN THE COMPUTATION OF SUCH AFFILIATED
16 INCOME.

17 (8) PROOF OF CLAIM. THE COMMISSIONER MAY REQUIRE A QUALIFIED TAXPAYER
18 TO FURNISH THE FOLLOWING INFORMATION IN SUPPORT OF HIS OR HER CLAIM FOR
19 CREDIT UNDER THIS SUBSECTION: AFFILIATED INCOME, THE TOTAL SCHOOL
20 DISTRICT TAXES LEVIED ON THE PROPERTY FOR THE ASSOCIATED FISCAL YEAR OR,
21 IN THE CASE OF A CITY SCHOOL DISTRICT THAT IS SUBJECT TO ARTICLE FIFTY-
22 TWO OF THE EDUCATION LAW, THE TOTAL COMBINED CITY AND SCHOOL DISTRICT
23 TAXES LEVIED ON THE PROPERTY FOR THE ASSOCIATED FISCAL YEAR, THE QUALI-
24 FYING TAXES PAID BY THE TAXPAYER, THE NAMES AND TAXPAYER IDENTIFICATION
25 NUMBERS OF ALL OWNERS OF THE PROPERTY AND SPOUSES WHO PRIMARILY RESIDE
26 ON THE PROPERTY, THE PARCEL IDENTIFICATION NUMBER AND ALL OTHER INFORMA-
27 TION THAT MAY BE REQUIRED BY THE COMMISSIONER TO DETERMINE THE CREDIT.

28 (9) RETURNS. IF A QUALIFIED TAXPAYER IS NOT REQUIRED TO FILE A RETURN
29 PURSUANT TO SECTION SIX HUNDRED FIFTY-ONE OF THIS ARTICLE, A CLAIM FOR A
30 CREDIT MAY BE TAKEN ON A RETURN FILED WITH THE COMMISSIONER WITHIN THREE
31 YEARS FROM THE TIME IT WOULD HAVE BEEN REQUIRED THAT A RETURN BE FILED
32 PURSUANT TO SUCH SECTION HAD THE QUALIFIED TAXPAYER HAD A TAXABLE YEAR
33 ENDING ON DECEMBER THIRTY-FIRST. RETURNS UNDER THIS PARAGRAPH SHALL BE
34 IN SUCH FORM AS SHALL BE PRESCRIBED BY THE COMMISSIONER, WHO SHALL MAKE
35 AVAILABLE SUCH FORMS AND INSTRUCTIONS FOR FILING SUCH RETURNS.

36 (10) ADMINISTRATION. THE PROVISIONS OF THIS ARTICLE, INCLUDING THE
37 PROVISIONS OF SECTIONS SIX HUNDRED FIFTY-THREE, SIX HUNDRED FIFTY-EIGHT,
38 AND SIX HUNDRED FIFTY-NINE OF THIS ARTICLE AND THE PROVISIONS OF PART
39 SIX OF THIS ARTICLE RELATING TO PROCEDURE AND ADMINISTRATION, INCLUDING
40 THE JUDICIAL REVIEW OF THE DECISIONS OF THE COMMISSIONER, EXCEPT SO MUCH
41 OF SECTION SIX HUNDRED EIGHTY-SEVEN OF THIS ARTICLE THAT PERMITS A CLAIM
42 FOR CREDIT OR REFUND TO BE FILED AFTER THE PERIOD PROVIDED FOR IN PARA-
43 GRAPH NINE OF THIS SUBSECTION AND EXCEPT SECTIONS SIX HUNDRED FIFTY-SEV-
44 EN, SIX HUNDRED EIGHTY-EIGHT AND SIX HUNDRED NINETY-SIX OF THIS ARTICLE,
45 SHALL APPLY TO THE PROVISIONS OF THIS SUBSECTION IN THE SAME MANNER AND
46 WITH THE SAME FORCE AND EFFECT AS IF THE LANGUAGE OF THOSE PROVISIONS
47 HAD BEEN INCORPORATED IN FULL INTO THIS SUBSECTION AND HAD EXPRESSLY
48 REFERRED TO THE CREDIT ALLOWED OR RETURNS FILED UNDER THIS SUBSECTION,
49 EXCEPT TO THE EXTENT THAT ANY SUCH PROVISION IS EITHER INCONSISTENT WITH
50 A PROVISION OF THIS SUBSECTION OR IS NOT RELEVANT TO THIS SUBSECTION. AS
51 USED IN SUCH SECTIONS AND SUCH PART, THE TERM "TAXPAYER" SHALL INCLUDE A
52 QUALIFIED TAXPAYER UNDER THIS SUBSECTION AND, NOTWITHSTANDING THE
53 PROVISIONS OF SUBSECTION (E) OF SECTION SIX HUNDRED NINETY-SEVEN OF THIS
54 ARTICLE, WHERE A QUALIFIED TAXPAYER HAS PROTESTED THE DENIAL OF A CLAIM
55 FOR CREDIT UNDER THIS SUBSECTION AND THE TIME TO FILE A PETITION FOR
56 REDETERMINATION OF A DEFICIENCY OR FOR REFUND HAS NOT EXPIRED, HE OR SHE

1 SHALL, SUBJECT TO SUCH CONDITIONS AS MAY BE SET BY THE COMMISSIONER,
2 RECEIVE SUCH INFORMATION (A) THAT IS CONTAINED IN ANY RETURN FILED UNDER
3 THIS ARTICLE BY A MEMBER OF HIS OR HER HOUSEHOLD FOR THE TAXABLE YEAR
4 FOR WHICH THE CREDIT IS CLAIMED, AND (B) THAT THE COMMISSIONER FINDS IS
5 RELEVANT AND MATERIAL TO THE ISSUE OF WHETHER SUCH CLAIM WAS PROPERLY
6 DENIED.

7 (11) IN THE CASE OF A TAXPAYER WHO HAS ITEMIZED DEDUCTIONS FROM FEDER-
8 AL ADJUSTED GROSS INCOME, AND WHOSE FEDERAL ITEMIZED DEDUCTIONS INCLUDE
9 AN AMOUNT FOR REAL ESTATE TAXES PAID, THE NEW YORK ITEMIZED DEDUCTION
10 OTHERWISE ALLOWABLE UNDER SECTION SIX HUNDRED FIFTEEN OF THIS CHAPTER
11 SHALL BE REDUCED BY THE AMOUNT OF THE CREDIT CLAIMED UNDER THIS
12 SUBSECTION.

13 S 7. The opening paragraph of subparagraph (a) of paragraph 2 of
14 subsection (n-1) of section 606 of the tax law, as added by section 1 of
15 subpart B of part C of chapter 20 of the laws of 2015, is amended to
16 read as follows:

17 To be eligible for the credit, the taxpayer (or taxpayers filing joint
18 returns) on the personal income tax return filed for the taxable year
19 two years prior, must have (i) been a resident, (ii) owned and primarily
20 resided in real property receiving EITHER the STAR exemption authorized
21 by section four hundred twenty-five of the real property tax law OR THE
22 SCHOOL TAX RELIEF CREDIT AUTHORIZED BY SUBSECTION (EEE) OF THIS SECTION,
23 and (iii) had qualified gross income no greater than two hundred seven-
24 ty-five thousand dollars. Provided, however, that no credit shall be
25 allowed if any of the following apply:

26 S 8. This act shall take effect immediately, provided, however, that
27 sections six and seven of this act shall apply to taxable years begin-
28 ning on or after January 1, 2016.

29 PART B

30 Section 1. Subparagraph (i) of paragraph (a) of subdivision 2 of
31 section 1306-a of the real property tax law, as amended by section 6 of
32 part N of chapter 58 of the laws of 2011, is amended to read as follows:

33 (i) The tax savings for each parcel receiving the exemption authorized
34 by section four hundred twenty-five of this chapter shall be computed by
35 subtracting the amount actually levied against the parcel from the
36 amount that would have been levied if not for the exemption, provided
37 however, that [beginning with] FOR the two thousand eleven-two thousand
38 twelve THROUGH TWO THOUSAND FIFTEEN-TWO THOUSAND SIXTEEN school [year]
39 YEARS, the tax savings applicable to any "portion" (which as used herein
40 shall mean that part of an assessing unit located within a school
41 district) shall not exceed the tax savings applicable to that portion in
42 the prior school year multiplied by one hundred two percent, with the
43 result rounded to the nearest dollar; AND PROVIDED FURTHER THAT BEGIN-
44 NING WITH THE TWO THOUSAND SIXTEEN-TWO THOUSAND SEVENTEEN SCHOOL YEAR,
45 THE TAX SAVINGS APPLICABLE TO ANY PORTION SHALL NOT EXCEED THE TAX
46 SAVINGS FOR THE PRIOR YEAR. The tax savings attributable to the basic
47 and enhanced exemptions shall be calculated separately. It shall be the
48 responsibility of the commissioner to calculate tax savings limitations
49 for purposes of this subdivision.

50 S 2. This act shall take effect immediately.

51 PART C

1 Section 1. Subparagraphs (iv), (v) and (vi) of paragraph (b) of subdi-
2 vision 4 of section 425 of the real property tax law, subparagraph (iv)
3 as amended by chapter 451 of the laws of 2015, subparagraph (v) as
4 amended by section 10 of part W of chapter 56 of the laws of 2010,
5 subparagraph (vi) as amended by section 3 of part (E) of chapter 83 of
6 the laws of 2002, and clause (E) of subparagraph (vi) as further amended
7 by section 1 of part W of chapter 56 of the laws of 2010, are amended to
8 read as follows:

9 (iv) Effective with applications for the enhanced exemption on final
10 assessment rolls to be completed in two thousand [three] SEVENTEEN, the
11 application form shall indicate that the owners of the property and any
12 owners' spouses residing on the premises [may] MUST ENROLL IN THE STAR
13 INCOME VERIFICATION PROGRAM ADMINISTERED BY THE DEPARTMENT IN ORDER FOR
14 THE PROPERTY TO BE ELIGIBLE FOR AN ENHANCED EXEMPTION PURSUANT TO THIS
15 SUBDIVISION. TO ENROLL THEREIN, THEY MUST authorize the assessor to have
16 their income eligibility verified annually thereafter by the [state]
17 department [of taxation and finance, in lieu of furnishing copies of the
18 applicable income tax return or returns with the application. If the
19 owners of the property and any owners' spouses residing on the premises
20 elect to participate in this program, which shall be known as the STAR
21 income verification program, they] AND must furnish their taxpayer iden-
22 tification numbers in order to facilitate matching with records of the
23 department. Thereafter, their income eligibility shall be verified annu-
24 ally by the department and the assessor shall not request income
25 documentation from them, unless such department advises the assessor
26 that they do not satisfy the applicable income eligibility requirements,
27 or that it is unable to determine whether they satisfy those require-
28 ments, OR UNLESS ONE OR MORE OF THE OWNERS OR SPOUSES IN QUESTION WERE
29 NOT REQUIRED TO FILE A NEW YORK INCOME TAX RETURN FOR THE APPLICABLE
30 INCOME TAX YEAR AND DID NOT DO SO. All APPLICANTS FOR THE ENHANCED STAR
31 EXEMPTION AND ALL assessing units shall be required to participate in
32 this program.

33 (v) (A) Except in the case of a city with a population of one million
34 or more, the assessor shall forward to the department, in the time and
35 manner required by the department, information identifying the persons
36 [who have elected to participate in the STAR income verification
37 program] WHO ARE ENROLLED IN THE STAR INCOME VERIFICATION PROGRAM ESTAB-
38 LISHED BY THIS PARAGRAPH. After receiving the department's response or
39 responses, the assessing authority shall cause notices to be mailed to
40 participants as provided by paragraph (b) of subdivision five of this
41 section. Information provided to the department identifying such
42 persons, and responses obtained from such department shall be confiden-
43 tial and shall not be subject to disclosure under article six of the
44 public officers law.

45 (B) In the case of a city of one million or more, the assessor shall
46 forward to the department [of taxation and finance], in the time and
47 manner required by the department, information identifying the persons
48 [who have elected to participate in the STAR income verification
49 program] WHO ARE ENROLLED IN THE STAR INCOME VERIFICATION PROGRAM ESTAB-
50 LISHED BY THIS PARAGRAPH. The department shall advise the assessor of
51 its findings in the manner provided by the agreement executed pursuant
52 to section one hundred seventy-one-o of the tax law. After receiving
53 such response or responses, the assessing authority shall cause notices
54 to be mailed to participants as provided by paragraph (b) of subdivision
55 five of this section. Information provided to the department identifying
56 such persons, and responses obtained from such department shall be

confidential and shall not be subject to disclosure under article six of the public officers law.

(vi) Notwithstanding the provisions of subparagraphs (iv) and (v) of this paragraph, which establish a STAR income verification program, income documentation must be submitted to the assessor in connection with each of the following:

(A) Initial applications for the enhanced STAR exemption;

(B) Renewal applications [submitted by a person or persons who have not elected to participate in the STAR income verification program] WHERE ONE OR MORE OF THE OWNERS OR SPOUSES IN QUESTION WERE NOT REQUIRED TO FILE A NEW YORK INCOME TAX RETURN FOR THE APPLICABLE INCOME TAX YEAR AND DID NOT DO SO;

(C) Applications that would allow an enhanced exemption to resume after having been discontinued;

(D) Applications submitted by a person or persons who had previously qualified for the enhanced exemption but not in the assessing unit in question; and

(E) Applications with respect to which the department [of taxation and finance] has advised the assessor [through the commissioner] that it is unable to determine whether a participant or participants in the STAR income verification program satisfy the income eligibility requirements.

S 2. Paragraph (c) of subdivision 6 of section 425 of the real property tax law, as amended by chapter 570 of the laws of 1998, is amended to read as follows:

(c) Senior citizens exemption. When property is eligible for the senior citizens exemption authorized by section four hundred sixty-seven of this article, it shall also be deemed to be eligible for the enhanced exemption authorized by this section for certain senior citizens, provided, where applicable, that the age requirement established by a municipal corporation pursuant to subdivision five of section four hundred sixty-seven of this article is satisfied, and no separate application need be filed therefor. PROVIDED HOWEVER, THAT BEGINNING WITH FINAL ASSESSMENT ROLLS COMPLETED IN TWO THOUSAND SEVENTEEN, SUCH PROPERTY SHALL NOT BE ELIGIBLE FOR SUCH ENHANCED EXEMPTION UNLESS THE OWNERS AND ANY OWNERS' SPOUSES RESIDING THEREON HAVE ENROLLED IN THE INCOME VERIFICATION PROGRAM ESTABLISHED BY SUBDIVISION FOUR OF THIS SECTION.

S 3. This act shall take effect immediately and shall apply to the administration of the enhanced STAR exemption authorized by subdivision 4 of section 425 of the real property tax law beginning with final assessment rolls to be completed in 2017.

PART D

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

(A-2) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, WHERE A RENEWAL APPLICATION FOR THE "ENHANCED" STAR EXEMPTION AUTHORIZED BY SUBDIVISION FOUR OF THIS SECTION HAS NOT BEEN FILED ON OR BEFORE THE TAXABLE STATUS DATE, AND THE OWNER BELIEVES THAT GOOD CAUSE EXISTED FOR THE FAILURE TO FILE THE RENEWAL APPLICATION BY THAT DATE, THE OWNER MAY, NO LATER THAN THE LAST DAY FOR PAYING SCHOOL TAXES WITHOUT INCURRING INTEREST OR PENALTY, SUBMIT A WRITTEN REQUEST TO THE COMMISSIONER ASKING HIM OR HER TO EXTEND THE FILING DEADLINE AND GRANT THE EXEMPTION. SUCH REQUEST SHALL CONTAIN AN EXPLANATION OF WHY THE DEADLINE WAS MISSED, AND SHALL BE ACCOMPANIED BY A RENEWAL APPLICATION, REFLECTING THE FACTS AND CIRCUMSTANCES AS THEY EXISTED ON THE TAXABLE STATUS DATE. AFTER CONSULT-

1 ING WITH THE ASSESSOR, THE COMMISSIONER MAY EXTEND THE FILING DEADLINE
2 AND GRANT THE EXEMPTION IF THE COMMISSIONER IS SATISFIED THAT (I) GOOD
3 CAUSE EXISTED FOR THE FAILURE TO FILE THE RENEWAL APPLICATION BY THE
4 TAXABLE STATUS DATE, AND THAT (II) THE APPLICANT IS OTHERWISE ENTITLED
5 TO THE EXEMPTION. THE COMMISSIONER SHALL MAIL NOTICE OF HIS OR HER
6 DETERMINATION TO SUCH OWNER AND THE ASSESSOR. IF THE DETERMINATION
7 STATES THAT THE COMMISSIONER HAS GRANTED THE EXEMPTION, THE ASSESSOR
8 SHALL THEREUPON BE AUTHORIZED AND DIRECTED TO CORRECT THE ASSESSMENT
9 ROLL ACCORDINGLY, OR, IF ANOTHER PERSON HAS CUSTODY OR CONTROL OF THE
10 ASSESSMENT ROLL, TO DIRECT THAT PERSON TO MAKE THE APPROPRIATE
11 CORRECTIONS. IF THE CORRECTION IS NOT MADE BEFORE SCHOOL TAXES ARE
12 LEVIED, THE FAILURE TO TAKE THE EXEMPTION INTO ACCOUNT IN THE COMPUTA-
13 TION OF THE TAX SHALL BE DEEMED A "CLERICAL ERROR" FOR PURPOSES OF TITLE
14 THREE OF ARTICLE FIVE OF THIS CHAPTER, AND SHALL BE CORRECTED ACCORDING-
15 LY.

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

18 8-A. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE LOCAL
19 GOVERNING BODY OF A MUNICIPAL CORPORATION THAT IS AUTHORIZED TO ADOPT A
20 LOCAL LAW PURSUANT TO SUBDIVISION EIGHT OF THIS SECTION IS FURTHER
21 AUTHORIZED TO ADOPT A LOCAL LAW PROVIDING THAT WHERE A RENEWAL APPLICA-
22 TION FOR THE EXEMPTION AUTHORIZED BY THIS SECTION HAS NOT BEEN FILED ON
23 OR BEFORE THE TAXABLE STATUS DATE, AND THE OWNER BELIEVES THAT GOOD
24 CAUSE EXISTED FOR THE FAILURE TO FILE THE RENEWAL APPLICATION BY THAT
25 DATE, THE OWNER MAY, NO LATER THAN THE LAST DAY FOR PAYING TAXES WITHOUT
26 INCURRING INTEREST OR PENALTY, SUBMIT A WRITTEN REQUEST TO THE ASSESSOR
27 ASKING HIM OR HER TO EXTEND THE FILING DEADLINE AND GRANT THE EXEMPTION.
28 SUCH REQUEST SHALL CONTAIN AN EXPLANATION OF WHY THE DEADLINE WAS
29 MISSED, AND SHALL BE ACCOMPANIED BY A RENEWAL APPLICATION, REFLECTING
30 THE FACTS AND CIRCUMSTANCES AS THEY EXISTED ON THE TAXABLE STATUS DATE.
31 THE ASSESSOR MAY EXTEND THE FILING DEADLINE AND GRANT THE EXEMPTION IF
32 HE OR SHE IS SATISFIED THAT (I) GOOD CAUSE EXISTED FOR THE FAILURE TO
33 FILE THE RENEWAL APPLICATION BY THE TAXABLE STATUS DATE, AND THAT (II)
34 THE APPLICANT IS OTHERWISE ENTITLED TO THE EXEMPTION. THE ASSESSOR SHALL
35 MAIL NOTICE OF HIS OR HER DETERMINATION TO THE OWNER. IF THE DETERMI-
36 NATION STATES THAT THE ASSESSOR HAS GRANTED THE EXEMPTION, HE OR SHE
37 SHALL THEREUPON BE AUTHORIZED AND DIRECTED TO CORRECT THE ASSESSMENT
38 ROLL ACCORDINGLY, OR, IF ANOTHER PERSON HAS CUSTODY OR CONTROL OF THE
39 ASSESSMENT ROLL, TO DIRECT THAT PERSON TO MAKE THE APPROPRIATE
40 CORRECTIONS. IF THE CORRECTION IS NOT MADE BEFORE TAXES ARE LEVIED, THE
41 FAILURE TO TAKE THE EXEMPTION INTO ACCOUNT IN THE COMPUTATION OF THE TAX
42 SHALL BE DEEMED A "CLERICAL ERROR" FOR PURPOSES OF TITLE THREE OF ARTI-
43 CLE FIVE OF THIS CHAPTER, AND SHALL BE CORRECTED ACCORDINGLY.

44 S 3. This act shall take effect on the sixtieth day after it shall
45 have become a law.

46 PART E

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

49 (EEE) SCHOOL TAX REDUCTION CREDIT FOR RESIDENTS OF A CITY WITH A POPU-
50 LATION OVER ONE MILLION. (1) FOR TAXABLE YEARS BEGINNING AFTER TWO THOU-
51 SAND FIFTEEN, A SCHOOL TAX REDUCTION CREDIT SHALL BE ALLOWED TO A RESI-
52 DENT INDIVIDUAL OF THE STATE WHO IS A RESIDENT OF A CITY WITH A
53 POPULATION OVER ONE MILLION, AS PROVIDED BELOW. THE CREDIT SHALL BE
54 ALLOWED AGAINST THE TAXES AUTHORIZED BY THIS ARTICLE REDUCED BY THE

CREDITS PERMITTED BY THIS ARTICLE. IF THE CREDIT EXCEEDS THE TAX AS SO REDUCED, 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 WILL BE PAID THEREON. FOR PURPOSES OF THIS SUBSECTION, NO CREDIT SHALL BE GRANTED TO AN INDIVIDUAL WITH RESPECT TO WHOM A DEDUCTION UNDER SUBSECTION (C) OF SECTION ONE HUNDRED FIFTY-ONE OF THE INTERNAL REVENUE CODE IS ALLOWABLE TO ANOTHER TAXPAYER FOR THE TAXABLE YEAR.

(2) THE AMOUNT OF THE CREDIT UNDER THIS PARAGRAPH SHALL BE DETERMINED BASED UPON THE TAXPAYER'S INCOME AS DEFINED IN SUBPARAGRAPH (II) OF PARAGRAPH (B) OF SUBDIVISION FOUR OF SECTION FOUR HUNDRED TWENTY-FIVE OF THE REAL PROPERTY TAX LAW. FOR THE PURPOSES OF THIS PARAGRAPH, ANY TAXPAYER UNDER SUBPARAGRAPHS (A) AND (B) OF THIS PARAGRAPH WITH INCOME OF MORE THAN TWO HUNDRED FIFTY THOUSAND DOLLARS SHALL NOT RECEIVE A CREDIT.

(A) MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES. IN THE CASE OF MARRIED INDIVIDUALS WHO MAKE A SINGLE RETURN JOINTLY AND OF A SURVIVING SPOUSE, THE CREDIT SHALL BE ONE HUNDRED TWENTY-FIVE DOLLARS.

(B) ALL OTHERS. IN THE CASE OF AN UNMARRIED INDIVIDUAL, A HEAD OF A HOUSEHOLD OR A MARRIED INDIVIDUAL FILING A SEPARATE RETURN, THE CREDIT SHALL BE SIXTY-TWO DOLLARS AND FIFTY CENTS.

(3) PART-YEAR RESIDENTS. IF A TAXPAYER CHANGES STATUS DURING THE TAXABLE YEAR FROM RESIDENT TO NONRESIDENT, OR FROM NONRESIDENT TO RESIDENT, THE SCHOOL TAX REDUCTION CREDIT AUTHORIZED BY THIS SUBSECTION SHALL BE PRORATED ACCORDING TO THE NUMBER OF MONTHS IN THE PERIOD OF RESIDENCE.

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

(1) For taxable years beginning after nineteen hundred ninety-seven, AND ENDING BEFORE TWO THOUSAND SIXTEEN, a state school tax reduction credit shall be allowed as provided in the following tables. The credit shall be allowed against the taxes authorized by this article reduced by the credits permitted by this article. If the credit exceeds the tax as so reduced, the taxpayer may receive, and the comptroller, subject to a certificate of the commissioner, shall pay as an overpayment, without interest, the amount of such excess. For purposes of this subsection, no credit shall be granted to an individual with respect to whom a deduction under subsection (c) of section one hundred fifty-one of the internal revenue code is allowable to another taxpayer for the taxable year.

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

Beginning in the two thousand ten tax year and each tax year thereafter THROUGH TWO THOUSAND FIFTEEN, the "more than two hundred fifty thousand dollar" income limitation shall be adjusted by applying the inflation factor set forth herein, and rounding each result to the nearest multiple of one hundred dollars. The department shall establish the income limitation to be associated with each subsequent tax year by

1 applying the inflation factor set forth herein to the figures that
2 define the income limitation that were applicable to the preceding tax
3 year, as determined pursuant to this [subdivision] SUBSECTION, and
4 rounding each result to the nearest multiple of one hundred dollars.
5 Such determination shall be made no later than March first, two thousand
6 ten and each year thereafter.

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

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

For taxable years beginning:	The credit shall be:
14 in 2001-2005	\$125
15 in 2006	\$230
16 in 2007-2008	\$290
17 in 2009 [and after]- 2015	\$125

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

For taxable years beginning:	The credit shall be:
21 in 2001-2005	\$62.50
22 in 2006	\$115
23 in 2007-2008	\$145
24 in 2009 [and after]- 2015	\$62.50

25 S 3. Paragraphs 1 and 2 of subsection (c) of section 11-1706 of the
26 administrative code of the city of New York, paragraph 1 as amended by
27 section 6 of part A of chapter 56 of the laws of 1998, paragraph 2 as
28 amended by section 2 of part R of chapter 57 of the laws of 2008 and
29 subparagraphs (A) and (B) of paragraph 2 as amended by section 5 of part
30 M of chapter 57 of the laws of 2009, are amended to read as follows:

31 (1) For taxable years beginning after nineteen hundred ninety-seven
32 AND ENDING BEFORE TWO THOUSAND SIXTEEN, a state school tax reduction
33 credit shall be allowed as provided in the following tables. The credit
34 shall be allowed against the taxes authorized by this article reduced by
35 the credits permitted by this article. If the credit exceeds the tax as
36 so reduced, the taxpayer may receive, and the comptroller, subject to a
37 certificate of the commissioner, shall pay as an overpayment, without
38 interest, the amount of such excess. For purposes of this [subdivision]
39 SUBSECTION, no credit shall be granted to an individual with respect to
40 whom a deduction under subsection (c) of section one hundred fifty-one
41 of the internal revenue code is allowable to another taxpayer for the
42 taxable year.

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

49 Beginning in the two thousand ten tax year and each tax year thereaft-
50 er THROUGH TWO THOUSAND FIFTEEN, the "more than two hundred fifty thou-
51 sand dollar" income limitation shall be adjusted by applying the
52 inflation factor set forth herein, and rounding each result to the near-
53 est multiple of one hundred dollars. The department shall establish the
54 income limitation to be associated with each subsequent tax year by
55 applying the inflation factor set forth herein to the figures that
56 define the income limitation that were applicable to the preceding tax

1 year, as determined pursuant to this [subdivision] SUBSECTION, and
2 rounding each result to the nearest multiple of one hundred dollars.
3 Such determination shall be made no later than March first, two thousand
4 ten and each year thereafter.

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

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

For taxable years beginning:	The credit shall be:
11 in 2001-2005	\$125
12 in 2006	\$230
13 in 2007-2008	\$290
14 in 2009 [and after]- 2015	\$125

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

For taxable years beginning:	The credit shall be:
18 in 2001-2005	\$62.50
19 in 2006	\$115
20 in 2007-2008	\$145
21 in 2009 [and after]- 2015	\$62.50

22 S 4. This act shall take effect immediately and shall apply to taxable
23 years beginning on or after January 1, 2016.
24

25 PART F

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

28 (16) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, WHEN THE
29 COMMISSIONER FINDS THAT A PROPERTY OWNER WAS ELIGIBLE FOR THE STAR
30 EXEMPTION AUTHORIZED BY THIS SECTION ON AN ASSESSMENT ROLL, BUT THE
31 EXEMPTION WAS NOT TAKEN INTO ACCOUNT IN THE CALCULATION OF THE PROPERTY
32 OWNER'S SCHOOL TAX BILL DUE TO AN ADMINISTRATIVE ERROR, AND THE PROPERTY
33 OWNER OR HIS OR HER AGENT PAID AN EXCESSIVE AMOUNT OF SCHOOL TAXES ON
34 THE PROPERTY AS A RESULT, THE COMMISSIONER OF TAXATION AND FINANCE IS
35 AUTHORIZED TO REMIT DIRECTLY TO THE PROPERTY OWNER THE TAX SAVINGS THAT
36 THE STAR EXEMPTION WOULD HAVE YIELDED IF THE STAR EXEMPTION HAD BEEN
37 TAKEN INTO ACCOUNT IN THE CALCULATION OF THAT TAXPAYER'S SCHOOL TAX
38 BILL. THE AMOUNTS PAYABLE UNDER THIS SECTION SHALL BE PAID FROM THE
39 ACCOUNT ESTABLISHED FOR THE PAYMENT OF STAR BENEFITS TO LATE REGISTRANTS
40 PURSUANT TO SUBPARAGRAPH (III) OF PARAGRAPH (A) OF SUBDIVISION FOURTEEN
41 OF THIS SECTION. WHERE SUCH A PAYMENT HAS BEEN MADE, NEITHER THE PROPER-
42 TY OWNER NOR HIS OR HER AGENT SHALL BE ENTITLED TO A REFUND OF THE
43 EXCESSIVE AMOUNT OF SCHOOL TAXES PAID ON ACCOUNT OF THE ADMINISTRATIVE
44 ERROR.

45 S 2. This act shall take effect immediately.

46 PART G

47 Section 1. Paragraph 10 of subsection (g) of section 658 of the tax
48 law is REPEALED.

49 S 2. Paragraph 10 of subdivision (g) of section 11-1758 of the admin-
50 istrative code of the city of New York is REPEALED.

51 S 3. Paragraph 5 of subsection (u) of section 685 of the tax law is
52 REPEALED.

1 S 4. Paragraph 5 of subdivision (t) of section 11-1785 of the adminis-
2 trative code of the city of New York is REPEALED.

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

7 S 23. This act shall take effect immediately; provided, however, that:

8 (a) the amendments to section 29 of the tax law made by section thir-
9 teen of this act shall apply to tax documents filed or required to be
10 filed on or after the sixtieth day after which this act shall have
11 become a law [and shall expire and be deemed repealed December 31,
12 2016], provided however that the amendments to paragraph 4 of subdivi-
13 sion (a) of section 29 of the tax law and paragraph 2 of subdivision (e)
14 of section 29 of the tax law made by section thirteen of this act with
15 regard to individual taxpayers shall take effect September 15, 2011 but
16 only if the commissioner of taxation and finance has reported in the
17 report required by section seventeen-b of this act that the percentage
18 of individual taxpayers electronically filing their 2010 income tax
19 returns is less than eighty-five percent; provided that the commissioner
20 of taxation and finance shall notify the legislative bill drafting
21 commission of the date of the issuance of such report in order that the
22 commission may maintain an accurate and timely effective data base of
23 the official text of the laws of the state of New York in furtherance of
24 effectuating the provisions of section 44 of the legislative law and
25 section 70-b of the public officers law;

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

32 (c) sections fourteen-a and fifteen-a of this act shall take effect
33 September 15, 2011 and expire and be deemed repealed December 31, 2012
34 but shall take effect only if the commissioner of taxation and finance
35 has reported in the report required by section seventeen-b of this act
36 that the percentage of individual taxpayers electronically filing their
37 2010 income tax returns is eighty-five percent or greater[;

38 (d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this
39 act shall take effect January 1, 2017 but only if the commissioner of
40 taxation and finance has reported in the report required by section
41 seventeen-b of this act that the percentage of individual taxpayers
42 electronically filing their 2010 income tax returns is less than eight-
43 y-five percent; and

44 (e) sections twenty-one and twenty-one-a of this act shall expire and
45 be deemed repealed December 31, 2016].

46 S 6. Subsection (aa) of section 685 of the tax law is REPEALED and a
47 new subsection (aa) is added to read as follows:

48 (AA) TAX PREPARER PENALTY. -- (1) IF AN INCOME TAX PREPARER TAKES A
49 POSITION ON ANY RETURN THAT EITHER UNDERSTATES THE TAX LIABILITY OR
50 INCREASES THE CLAIM FOR A REFUND, AND THE PREPARER KNEW, OR REASONABLY
51 SHOULD HAVE KNOWN, THAT SAID POSITION WAS NOT PROPER, AND SUCH POSITION
52 WAS NOT ADEQUATELY DISCLOSED ON THE RETURN OR IN A STATEMENT ATTACHED TO
53 THE RETURN, SUCH INCOME TAX PREPARER SHALL PAY A PENALTY OF BETWEEN ONE
54 HUNDRED AND ONE THOUSAND DOLLARS.

55 (2) IF AN INCOME TAX PREPARER TAKES A POSITION ON ANY RETURN THAT
56 EITHER UNDERSTATES THE TAX LIABILITY OR INCREASES THE CLAIM FOR A REFUND

1 AND THE UNDERSTATEMENT OF THE TAX LIABILITY OR THE INCREASED CLAIM FOR
2 REFUND IS DUE TO THE PREPARER'S RECKLESS OR INTENTIONAL DISREGARD OF THE
3 LAW, RULES OR REGULATIONS, SUCH PREPARER SHALL PAY A PENALTY OF BETWEEN
4 FIVE HUNDRED AND FIVE THOUSAND DOLLARS. THE AMOUNT OF THE PENALTY PAYA-
5 BLE BY ANY PERSON BY REASON OF THIS PARAGRAPH SHALL BE REDUCED BY THE
6 AMOUNT OF THE PENALTY PAID BY SUCH PERSON BY REASON OF PARAGRAPH (1) OF
7 THIS SUBSECTION.

8 (3) FOR PURPOSES OF THIS SUBSECTION, THE TERM "UNDERSTATEMENT OF
9 LIABILITY" MEANS ANY UNDERSTATEMENT OF THE NET AMOUNT PAYABLE WITH
10 RESPECT TO ANY TAX IMPOSED UNDER THIS ARTICLE OR ANY OVERSTATEMENT OF
11 THE NET AMOUNT CREDITABLE OR REFUNDABLE WITH RESPECT TO ANY SUCH TAX.

12 (4) THIS SUBSECTION SHALL NOT APPLY IF THE PENALTY UNDER SUBSECTION
13 (R) OF THIS SECTION IS IMPOSED ON THE TAX RETURN PREPARER WITH RESPECT
14 TO SUCH UNDERSTATEMENT.

15 S 7. Subsection (u) of section 685 of the tax law is amended by adding
16 two new paragraphs (1) and (2) to read as follows:

17 (1) FAILURE TO SIGN RETURN OR CLAIM FOR REFUND. ANY INDIVIDUAL WHO IS
18 A TAX RETURN PREPARER BUT IS NOT SUBJECT TO THE REQUIREMENTS UNDER
19 SECTION THIRTY-TWO OF THIS CHAPTER, WHO IS REQUIRED PURSUANT TO PARA-
20 GRAPH ONE OF SUBSECTION (G) OF SECTION SIX HUNDRED FIFTY-EIGHT OF THIS
21 ARTICLE TO SIGN A RETURN OR CLAIM FOR REFUND AND WHO FAILS TO COMPLY
22 WITH SUCH REQUIREMENT WITH RESPECT TO SUCH RETURN OR CLAIM FOR REFUND,
23 SHALL BE SUBJECT TO A PENALTY OF TWO HUNDRED FIFTY DOLLARS FOR EACH SUCH
24 FAILURE TO SIGN, UNLESS IT IS SHOWN THAT SUCH FAILURE IS DUE TO REASON-
25 ABLE CAUSE AND NOT DUE TO WILLFUL NEGLECT. THE MAXIMUM PENALTY IMPOSED
26 UNDER THIS PARAGRAPH ON ANY TAX RETURN PREPARER WITH RESPECT TO RETURNS
27 FILED DURING ANY CALENDAR YEAR BY THE TAX RETURN PREPARER MUST NOT
28 EXCEED TEN THOUSAND DOLLARS. PROVIDED, HOWEVER, THAT IF A TAX RETURN
29 PREPARER HAS BEEN PENALIZED UNDER THIS PARAGRAPH FOR A PRECEDING CALEN-
30 DAR YEAR AND AGAIN FAILS TO SIGN HIS OR HER NAME ON ANY RETURN THAT
31 REQUIRES THE TAX RETURN PREPARER'S SIGNATURE DURING A SUBSEQUENT CALEN-
32 DAR YEAR, THEN THE PENALTY UNDER THIS PARAGRAPH FOR EACH FAILURE WILL BE
33 FIVE HUNDRED DOLLARS, AND NO ANNUAL CAP WILL APPLY.

34 (2) FAILURE TO FURNISH IDENTIFYING NUMBER. IF ANY IDENTIFYING NUMBER
35 REQUIRED TO BE INCLUDED ON ANY RETURN OR CLAIM FOR REFUND PURSUANT TO
36 PARAGRAPH TWO OF SUBSECTION (G) OF SECTION SIX HUNDRED FIFTY-EIGHT OF
37 THIS ARTICLE IS NOT SO INCLUDED, THE PERSON WHO IS THE TAX RETURN
38 PREPARER BUT IT NOT SUBJECT TO THE REQUIREMENTS UNDER SECTION THIRTY-TWO
39 OF THIS CHAPTER WITH RESPECT TO SUCH RETURN OR CLAIM FOR REFUND, SHALL
40 BE SUBJECT TO A PENALTY OF ONE HUNDRED DOLLARS FOR EACH SUCH FAILURE,
41 UNLESS IT IS SHOWN THAT SUCH FAILURE IS DUE TO REASONABLE CAUSE AND NOT
42 WILLFUL NEGLECT. THE MAXIMUM PENALTY IMPOSED UNDER THIS PARAGRAPH ON ANY
43 TAX RETURN PREPARER WITH RESPECT TO RETURNS FILED DURING ANY CALENDAR
44 YEAR MUST NOT EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS; PROVIDED, HOWEV-
45 ER, THAT IF A TAX RETURN PREPARER HAS BEEN PENALIZED UNDER THIS PARA-
46 GRAPH FOR A PRECEDING CALENDAR YEAR AND AGAIN FAILS TO INCLUDE THE IDEN-
47 TIFYING NUMBER ON ONE OR MORE RETURNS DURING A SUBSEQUENT CALENDAR YEAR,
48 THEN THE PENALTY UNDER THIS PARAGRAPH FOR EACH FAILURE WILL BE TWO
49 HUNDRED FIFTY DOLLARS, AND NO ANNUAL CAP WILL APPLY.

50 S 8. This act shall take effect immediately; provided, however, that
51 section seven of this act shall apply to taxable years commencing on and
52 after January 1, 2016.

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

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

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

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

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

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

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

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

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

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

47 S 6. This act shall take effect immediately; provided, however,
48 section two of this act shall take effect April 1, 2017; section three
49 of this act shall take effect April 1, 2018; section four of this act
50 shall take effect April 1, 2019 and section five of this act shall take
51 effect April 1, 2020.

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

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

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

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

23 (2) who commences employment by the qualified taxpayer on or after
24 January first, two thousand fourteen, and before January first, two
25 thousand [sixteen] EIGHTEEN; and

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

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

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

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

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

52 (B) who commences employment by the qualified taxpayer on or after
53 January first, two thousand fourteen, and before January first, two
54 thousand [sixteen] EIGHTEEN; and

55 (C) who certifies by signed affidavit, under penalty of perjury, that
56 he or she has not been employed for thirty-five or more hours during any

1 week in the one hundred eighty day period immediately prior to his or her employment by the taxpayer.

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

6 (1) Allowance of credit. For taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand [seventeen] NINETEEN, a taxpayer shall be allowed a credit, to be computed as provided in this subdivision, against the tax imposed by this article, for hiring and employing, for not less than one year and for not less than thirty-five hours each week, a qualified veteran within the state. The taxpayer may claim the credit in the year in which the qualified veteran completes one year of employment by the taxpayer. If the taxpayer claims the credit allowed under this subdivision, the taxpayer may not use the hiring of a qualified veteran that is the basis for this credit in the basis of any other credit allowed under this article.

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

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

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

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

32 S 4. This act shall take effect immediately.

33 PART J

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

37 (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 (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 [seventeen] NINETEEN.

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

52 (c) Expiration of credit. The credit allowed under this subdivision shall not be applicable to taxable years beginning on or after [December thirty-first] JANUARY FIRST, two thousand [seventeen] NINETEEN.

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

4 (1) Allowance of credit. A taxpayer that is eligible pursuant to the
5 provisions of section twenty-eight of this chapter shall be allowed a
6 credit to be computed as provided in such section against the tax
7 imposed by this article. The tax credit allowed pursuant to this section
8 shall apply to taxable years beginning before January first, two thou-
9 sand [seventeen] NINETEEN.

10 S 4. This act shall take effect immediately.

11 PART K

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

15 S 5. This act shall take effect immediately and shall remain in effect
16 until December 31, 2016 when upon such date it shall be deemed repealed;
17 provided that this act shall be deemed to have been in full force and
18 effect on December 31, 2010; [and] provided further that this act shall
19 apply to all tax years commencing on or after January 1, 2011; AND
20 PROVIDED FURTHER THAT SECTIONS ONE AND TWO OF THIS ACT SHALL REMAIN IN
21 EFFECT UNTIL DECEMBER 31, 2022 WHEN UPON SUCH DATE SUCH SECTIONS SHALL
22 BE DEEMED REPEALED.

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

26 (c) Application of credit. In no event shall the credit allowed under
27 this subdivision for any taxable year reduce the tax due for such year
28 to less than the amount prescribed in paragraph (d) of subdivision one
29 of section two hundred ten of this article. However, if the amount of
30 credit allowed under this subdivision for any taxable year reduces the
31 tax to such amount or if the taxpayer otherwise pays tax based on the
32 fixed dollar minimum amount, any amount of credit thus not deductible in
33 such taxable year shall be carried over to the following year or years,
34 and may be deducted from the taxpayer's tax for such year or years. THE
35 TAX CREDIT ALLOWED PURSUANT TO THIS SUBDIVISION SHALL NOT APPLY TO TAXA-
36 BLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND
37 TWENTY-THREE.

38 S 3. This act shall take effect immediately.

39 PART L

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

44 S 2. This act shall take effect immediately and shall apply to taxable
45 years beginning on or after January 1, 2006 [and before January 1,
46 2017].

47 S 2. This act shall take effect immediately.

48 PART M

49 Section 1. Section 12 of part N of chapter 61 of the laws of 2005,
50 amending the tax law relating to certain transactions and related infor-

mation and relating to the voluntary compliance initiative, as amended by section 1 of part B of chapter 61 of the laws of 2011, is amended to read as follows:

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

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

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

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

PART N

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

(a) General. A taxpayer shall be allowed a credit against the tax imposed by this article. Such credit, to be computed as hereinafter provided, shall be allowed for bioheat, used for space heating or hot water production for residential purposes within this state purchased before January first, two thousand [seventeen] TWENTY. Such credit shall be \$0.01 per percent of biodiesel per gallon of bioheat, not to exceed twenty cents per gallon, purchased by such taxpayer. PROVIDED, HOWEVER, THAT ON OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN, THIS CREDIT SHALL NOT APPLY TO BIOHEAT THAT IS LESS THAN SIX PERCENT BIODIESEL PER GALLON OF BIOHEAT.

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

(1) A taxpayer shall be allowed a credit against the tax imposed by this article. Such credit, to be computed as hereinafter provided, shall be allowed for bioheat, used for space heating or hot water production for residential purposes within this state and purchased on or after July first, two thousand six and before July first, two thousand seven and on or after January first, two thousand eight and before January first, two thousand [seventeen] TWENTY. Such credit shall be \$0.01 per percent of biodiesel per gallon of bioheat, not to exceed twenty cents per gallon, purchased by such taxpayer. PROVIDED, HOWEVER, THAT ON OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN, THIS CREDIT SHALL NOT APPLY TO BIOHEAT THAT IS LESS THAN SIX PERCENT BIODIESEL PER GALLON OF BIOHEAT.

S 3. This act shall take effect immediately.

PART O

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

S 359. Cap on tax credit. The total amount of tax credits listed on certificates of tax credit issued by the commissioner for any taxable year may not exceed the limitations set forth in this section. One-half of any amount of tax credits not awarded for a particular taxable year IN YEARS TWO THOUSAND ELEVEN THROUGH TWO THOUSAND TWENTY-FOUR may be used by the commissioner to award tax credits in another taxable year.

Credit components in the aggregate
shall not exceed:

With respect to taxable
years beginning in:

\$ 50 million	2011
\$ 100 million	2012
\$ 150 million	2013
\$ 200 million	2014
\$ 250 million	2015
\$ 200 million	2016
\$ 200 million	2017
\$ 200 million	2018
\$ 200 million	2019
\$ 200 million	2020
\$ 200 million	2021
\$ 150 million	2022
\$ 100 million	2023
\$ 50 million	2024

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

Provided, however, if by September thirtieth of a calendar year, the department has not allocated the full amount of credits available in that year to either: (i) businesses accepted into the program under subdivision four of section three hundred fifty-three of this article or

1 (ii) businesses accepted into the program under subdivision three of
2 section three hundred fifty-three of this article, the commissioner may
3 allocate any remaining tax credits to businesses referenced in [para-
4 graphs (i) and (ii) of this section] THIS PARAGRAPH as needed; provided,
5 however, that under no circumstances may the AGGREGATE statutory cap FOR
6 ALL PROGRAM YEARS be exceeded. ONE HUNDRED PERCENT OF THE UNAWARDED
7 AMOUNTS REMAINING AT THE END OF TWO THOUSAND TWENTY-FOUR MAY BE ALLO-
8 CATED IN SUBSEQUENT YEARS, NOTWITHSTANDING THE FIFTY PERCENT LIMITATION
9 ON ANY AMOUNTS OF TAX CREDITS NOT AWARDED IN TAXABLE YEARS TWO THOUSAND
10 ELEVEN THROUGH TWO THOUSAND TWENTY-FOUR. PROVIDED, HOWEVER, NO TAX CRED-
11 ITS MAY BE ALLOWED FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY
12 FIRST, TWO THOUSAND THIRTY.

13 S 2. Subdivision 5 of section 354 of the economic development law, as
14 amended by section 2 of part C of chapter 68 of the laws of 2013, is
15 amended to read as follows:

16 5. A participant may claim tax benefits commencing in the first taxa-
17 ble year that the business enterprise receives a certificate of tax
18 credit or the first taxable year listed on its preliminary schedule of
19 benefits, whichever is later. A participant may claim such benefits for
20 the next nine consecutive taxable years, provided that the participant
21 demonstrates to the department that it continues to satisfy the eligi-
22 bility criteria specified in section three hundred fifty-three of this
23 article and subdivision two of this section in each of those taxable
24 years, AND PROVIDED THAT NO TAX CREDITS MAY BE ALLOWED FOR TAXABLE YEARS
25 BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTY. If, in any
26 given year, a participant who has satisfied the eligibility criteria
27 specified in section three hundred fifty-three of this article realizes
28 job creation less than the estimated amount, the credit shall be reduced
29 by the proportion of actual job creation to the estimated amount,
30 provided the proportion is at least seventy-five percent of the jobs
31 estimated.

32 S 3. Subdivision (b) of section 31 of the tax law, as added by section
33 7 of part G of chapter 61 of the laws of 2011, is amended to read as
34 follows:

35 (b) To be eligible for the excelsior jobs program credit, the taxpayer
36 shall have been issued a "certificate of tax credit" by the department
37 of economic development pursuant to subdivision four of section three
38 hundred fifty-four of the economic development law, which certificate
39 shall set forth the amount of each credit component that may be claimed
40 for the taxable year. A taxpayer may claim such credit for ten consec-
41 utive taxable years commencing in the first taxable year that the
42 taxpayer receives a certificate of tax credit or the first taxable year
43 listed on its preliminary schedule of benefits, whichever is later,
44 PROVIDED THAT NO TAX CREDITS MAY BE ALLOWED FOR TAXABLE YEARS BEGINNING
45 ON OR AFTER JANUARY FIRST, TWO THOUSAND THIRTY. The taxpayer shall be
46 allowed to claim only the amount listed on the certificate of tax credit
47 for that taxable year. Such certificate must be attached to the taxpay-
48 er's return. No cost or expense paid or incurred by the taxpayer shall
49 be the basis for more than one component of this credit or any other tax
50 credit, except as provided in section three hundred fifty-five of the
51 economic development law.

52 S 4. This act shall take effect immediately.

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

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

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

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

8 S 2. Subdivision (a) and paragraphs 2, 4, and 5 of subdivision (e) of
9 section 38 of the tax law, as added by section 1 of part EE of chapter
10 59 of the laws of 2013, are amended to read as follows:

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

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

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

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

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

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

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

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

1 section two hundred eight of this article shall not be a qualified
2 financial instrument, AND (IV) STOCK THAT GENERATES OTHER EXEMPT INCOME
3 AS DEFINED IN SUBDIVISION SIX-A OF SECTION TWO HUNDRED EIGHT OF THIS
4 ARTICLE AND THAT IS NOT MARKED TO MARKET UNDER SECTION 475 OR SECTION
5 1256 OF THE INTERNAL REVENUE CODE SHALL NOT CONSTITUTE A QUALIFIED
6 FINANCIAL INSTRUMENT WITH RESPECT TO THE INCOME FROM THAT STOCK THAT IS
7 DESCRIBED IN SUCH SUBDIVISION SIX-A. If a corporation is included in a
8 combined report, the definition of qualified financial instrument shall
9 be determined on a combined basis.

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

13 (c) Average number of individuals employed full-time. For the purposes
14 of this subdivision, average number of individuals employed full-time
15 shall be computed by adding the number of such individuals employed by
16 the taxpayer at the end of each quarter during each taxable year or
17 other applicable period and dividing the sum so obtained by the number
18 of such quarters occurring within such taxable year or other applicable
19 period; provided however, except that in computing base year employment,
20 there shall be excluded therefrom any employee with respect to whom a
21 credit provided for under subdivision [six of this section is] NINETEEN
22 OF SECTION TWO HUNDRED TEN OF THIS ARTICLE, AS SUCH SUBDIVISION WAS IN
23 EFFECT ON DECEMBER THIRTY-FIRST, TWO THOUSAND FOURTEEN, WAS claimed for
24 the taxable year.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39 For purposes of this paragraph, FOR TAXABLE YEARS BEGINNING BEFORE
40 JANUARY FIRST, TWO THOUSAND FIFTEEN, any corporation for which an
41 election under subsection (a) of section six hundred sixty of the tax
42 law is not in effect for the taxable year may elect to treat as entire
43 net income the sum of:

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

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

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

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

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

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

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

36 (2) The amount determined in this subparagraph is the product of (i)
37 the excess of (A) the tax computed under clause (i) of subparagraph one
38 of paragraph (e) of subdivision one of this section, without allowance
39 of any credits allowed by this section, over (B) the tax so computed,
40 determined as if the corporation had no such distributive share or guar-
41 anteed payments with respect to the unincorporated business, and (ii) a
42 fraction, the numerator of which is four and the denominator of which is
43 eight and eighty-five one hundredths, [provided however,] EXCEPT THAT IN
44 THE CASE OF A FINANCIAL CORPORATION AS DEFINED IN CLAUSE (I) OF SUBPARA-
45 GRAPH ONE OF PARAGRAPH (E) OF SUBDIVISION ONE OF THIS SECTION, SUCH
46 DENOMINATOR IS NINE, AND in the case of a taxpayer that is subject to
47 paragraph (j) or (k) of subdivision one of this section, such denomina-
48 tor shall be the rate of tax as determined by such paragraph (j) or (k)
49 for the taxable year; [and,] provided[, however,] that the amounts
50 computed in subclauses (A) and (B) of clause (i) of this subparagraph
51 shall be computed with the following modifications:

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

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

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

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

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

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

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

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

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

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

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

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

A financial instrument is a "nonqualified financial instrument" if it is not a qualified financial instrument. A qualified financial instrument means a financial instrument that is of a type described in any of clause (i), (ii), (iii), (iv), (vii), (viii) or (ix) of subparagraph two of this paragraph and that has been marked to market in the taxable year by the taxpayer under section 475 or section 1256 of the internal revenue code. Further, if the taxpayer has in the taxable year marked to market a financial instrument of the type described in any of clause (i), (ii), (iii), (iv), (vii), (viii) or (ix) of subparagraph two of this paragraph, then any financial instrument within that type described in the above specified clause or clauses that has not been marked to market by the taxpayer under section 475 or section 1256 of the internal revenue code is a qualified financial instrument in the taxable year. Notwithstanding the two preceding sentences, (i) a loan secured by real property shall not be a qualified financial instrument, (ii) if the only loans that are marked to market by the taxpayer under section 475 or section 1256 of the internal revenue code are loans secured by real property, then no loans shall be qualified financial instruments, [and] (iii) stock that is investment capital as defined in paragraph (a) of subdivision [4] FOUR of section 11-652 of this subchapter shall not be a qualified financial instrument, AND (IV) STOCK THAT GENERATES OTHER EXEMPT INCOME AS DEFINED IN SUBDIVISION FIVE-A OF SECTION 11-652 OF THIS SUBCHAPTER AND THAT IS NOT MARKED TO MARKET UNDER SECTION 475 OR SECTION 1256 OF THE INTERNAL REVENUE CODE SHALL NOT CONSTITUTE A QUALIFIED FINANCIAL INSTRUMENT WITH RESPECT TO THE INCOME FROM THAT STOCK THAT IS DESCRIBED IN SUCH SUBDIVISION FIVE-A. If a corporation is included in a combined report, the definition of qualified financial instrument shall be determined on a combined basis.

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

PART Q

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

5. The report covering the tax surcharge which must be calculated pursuant to this section based upon the tax reportable on the report due by March fifteenth of any year under section one hundred eighty-three of this article, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON THE REPORT DUE BY APRIL FIFTEENTH OF ANY YEAR UNDER SECTION ONE HUNDRED EIGHTY-THREE OF THIS ARTICLE, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, shall be filed on or before March fifteenth of the year next succeeding such year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON OR BEFORE APRIL FIFTEENTH OF THE YEAR NEXT SUCCEEDING SUCH YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN. An extension pursuant to section one hundred ninety-

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

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

26 4. Every utility subject to tax hereunder shall file, on or before
27 March fifteenth of each year, a return for the year ended on the preced-
28 ing December thirty-first, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY
29 FIRST, TWO THOUSAND SIXTEEN, except that the year ended on December
30 thirty-first, nineteen hundred seventy-six shall be deemed, for the
31 purposes of this subdivision, to have commenced on June first, nineteen
32 hundred seventy-six, AND SHALL FILE, ON OR BEFORE APRIL FIFTEENTH OF
33 EACH YEAR, A RETURN FOR THE YEAR ENDED ON THE PRECEDING DECEMBER THIR-
34 TY-FIRST, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO
35 THOUSAND SIXTEEN, including any period for which the tax imposed hereby
36 or by any amendment hereof is effective, each of which returns shall
37 state the gross income or gross operating income for the period covered
38 by each such return. Returns shall be filed with the commissioner of
39 taxation and finance on a form to be furnished by the commissioner for
40 such purpose and shall contain such other data, information or matter as
41 the commissioner may require to be included therein. Notwithstanding the
42 foregoing provisions of this subdivision, the commissioner may require
43 any utility to file an annual return, which shall contain any data spec-
44 ified by the commissioner, regardless of whether the utility is subject
45 to tax under this section; and the commissioner may require a landlord
46 selling to a tenant gas, electric, steam, water or refrigeration or
47 furnishing gas, electric, steam, water or refrigerator service, where
48 the same has been subjected to tax under this section on the sale to
49 such landlord, to file, on or before the fifteenth day of March of each
50 year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND
51 SIXTEEN, AND ON OR BEFORE THE FIFTEENTH DAY OF APRIL OF EACH YEAR, FOR
52 TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN,
53 an information return for the year ended on the preceding December thir-
54 ty-first, covering such year in such form and containing such data as
55 the commissioner may specify. Every return shall have annexed thereto a
56 certification by the head of the utility making the same, or of the

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

S 3. Subdivision 6 of section 186-e of the tax law, as added by chapter 2 of the laws of 1995, is amended to read as follows:

6. Returns. Every provider of telecommunication services subject to tax under this section shall file, on or before March fifteenth of each year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON OR BEFORE APRIL FIFTEENTH OF EACH YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, a return for the year ended on the preceding December thirty-first, and pay the tax due, which return shall state the gross receipts for the period covered by each such return and the resale exclusions during such period. Returns shall be filed with the commissioner on a form to be furnished by the commissioner for such purpose and shall contain such other data, information or matter as the commissioner may require to be included therein. Notwithstanding the foregoing provisions of this subdivision, the commissioner may require any provider of telecommunication services to file an annual return, which shall contain any data specified by the commissioner, regardless of whether such provider is subject to tax under this section. Every return shall have annexed thereto a certification by the head of the provider of telecommunication services making the same, or of the owner or of a partner or member thereof, or of a principal officer of the corporation, if such business be conducted by a corporation, to the effect that the statements contained therein are true.

S 4. Subdivision 1 of section 192 of the tax law, as amended by chapter 96 of the laws of 1976, is amended to read as follows:

1. Corporations paying franchise tax. Every corporation, association or joint-stock company liable to pay a tax under section one hundred eighty-three or one hundred eighty-five of this chapter shall, on or before March fifteenth in each year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON OR BEFORE APRIL FIFTEENTH IN EACH YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, make a written report to the [tax commission] COMMISSIONER of its condition at the close of its business on the preceding December thirty-first, stating the amount of its authorized capital stock, the amount of stock paid in, the date and rate per centum of each dividend paid by it during the year ending with such day, the entire amount of the capital of such corporation, and the capital employed by it in this state during such year.

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

1. Corporations paying franchise tax. Every corporation, association or joint-stock company liable to pay a tax under section one hundred eighty-three of this chapter shall, on or before March fifteenth in each year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON OR BEFORE APRIL FIFTEENTH IN EACH YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, make a written report to the [tax commission] COMMISSIONER of its condition at the close of its business on the preceding December thirty-first, stating the amount of its authorized capital stock, the amount of stock paid in, the date and rate per centum of each dividend paid by it during the year ending with such day, the entire amount of the capital of such

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

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

5 2. Transportation and transmission corporations. Every transportation
6 or transmission corporation, joint-stock company or association liable
7 to pay an additional franchise tax under section one hundred eighty-four
8 of this chapter, shall also, on or before March fifteenth of each year,
9 make a written report to the [tax commission] COMMISSIONER of the amount
10 of its gross earnings subject to the tax imposed by said section for the
11 year ended on the preceding December thirty-first, FOR TAXABLE YEARS
12 BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, except that the
13 year ended on December thirty-first, nineteen hundred seventy-six shall
14 be deemed, for the purposes of this subdivision, to have commenced on
15 July first, nineteen hundred seventy-six, AND SHALL ALSO, ON OR BEFORE
16 APRIL FIFTEENTH OF EACH YEAR, MAKE A WRITTEN REPORT TO THE COMMISSIONER
17 OF THE AMOUNT OF ITS GROSS EARNINGS SUBJECT TO THE TAX IMPOSED BY SAID
18 SECTION FOR THE YEAR ENDED ON THE PRECEDING DECEMBER THIRTY-FIRST, FOR
19 TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN.
20 Any such corporation, joint-stock company or association which ceases to
21 be subject to the tax imposed by section one hundred eighty-four of this
22 chapter by reason of a liquidation, dissolution, merger or consolidation
23 with any other corporation, or any other cause, shall, on the date of
24 such cessation or at such other time as the [tax commission] COMMISSION-
25 ER may require, make a written report to the [tax commission] COMMIS-
26 SIONER of the amount of its gross earnings subject to the tax imposed by
27 section one hundred eighty-four of this chapter for any period for which
28 no report was theretofore filed. Any corporation, joint-stock company or
29 association subject to a tax upon dividends under said section one
30 hundred eighty-four of this chapter shall also include in its report
31 under this subdivision required to be filed a statement of the author-
32 ized capital of the company, the amount of capital stock issued, and the
33 amount of dividends of every nature paid during the year ended on the
34 preceding December thirty-first. As to tax payers subject to such tax
35 upon dividends under said section one hundred eighty-four of this chap-
36 ter, the year ended on December thirty-first, nineteen hundred seventy-
37 six shall be deemed, for the purposes of this subdivision, to have
38 commenced on July first, nineteen hundred seventy-six.

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

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

1 respectively, the taxpayer must also pay in each such year an amount
2 equal to (i) twenty-five percent of the tax surcharge imposed under such
3 section for the preceding taxable year if the preceding year's tax
4 exceeded one thousand dollars but was equal to or less than one hundred
5 thousand dollars, or (ii) forty percent of the tax surcharge imposed
6 under that section for the preceding taxable year if the preceding
7 year's tax exceeded one hundred thousand dollars. The amount or amounts
8 must be paid with the return or report required to be filed with respect
9 to the tax or tax surcharge for the preceding taxable year or with an
10 application for extension of the time for filing the return or report,
11 FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN,
12 AND MUST BE PAID ON OR BEFORE THE FIFTEENTH DAY OF THE THIRD MONTH
13 FOLLOWING THE CLOSE OF THE TAXABLE YEAR, FOR TAXABLE YEARS BEGINNING ON
14 OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN.

15 S 8. Paragraph (a) of subdivision 1 of section 209 of the tax law, as
16 amended by section 5 of part A of chapter 59 of the laws of 2014, is
17 amended to read as follows:

18 (a) For the privilege of exercising its corporate franchise, or of
19 doing business, or of employing capital, or of owning or leasing proper-
20 ty in this state in a corporate or organized capacity, or of maintaining
21 an office in this state, or of deriving receipts from activity in this
22 state, for all or any part of each of its fiscal or calendar years,
23 every domestic or foreign corporation, except corporations specified in
24 subdivision four of this section, shall annually pay a franchise tax,
25 upon the basis of its business income base, or upon such other basis as
26 may be applicable as hereinafter provided, for such fiscal or calendar
27 year or part thereof, on a report which shall be filed, except as here-
28 inafter provided, on or before the fifteenth day of March next succeed-
29 ing the close of each such year, FOR TAXABLE YEARS BEGINNING BEFORE
30 JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON OR BEFORE THE FIFTEENTH DAY
31 OF APRIL NEXT SUCCEEDING THE CLOSE OF EACH SUCH YEAR, FOR TAXABLE YEARS
32 BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, or, in the
33 case of a corporation which reports on the basis of a fiscal year, with-
34 in two and one-half months after the close of such fiscal year, FOR
35 TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND
36 ON OR BEFORE THE FIFTEENTH DAY OF THE FOURTH MONTH AFTER THE CLOSE OF
37 SUCH FISCAL YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST,
38 TWO THOUSAND SIXTEEN, and shall be paid as hereinafter provided.

39 S 9. Subdivision 1 of section 211 of the tax law, as amended by chap-
40 ter 436 of the laws of 1974, the opening paragraph as amended by chapter
41 190 of the laws of 1990 and the second undesignated paragraph as amended
42 by chapter 542 of the laws of 1985, is amended to read as follows:

43 1. Every taxpayer[, as well as every foreign corporation having an
44 employee, including any officer, within the state,] shall annually on or
45 before March fifteenth, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY
46 FIRST, TWO THOUSAND SIXTEEN, AND ANNUALLY ON OR BEFORE APRIL FIFTEENTH,
47 FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND
48 SIXTEEN, transmit to the [tax commission] COMMISSIONER a report in a
49 form prescribed by [it] THE COMMISSIONER (except that a corporation
50 which reports on the basis of a fiscal year shall transmit its report
51 within two and one-half months after the close of its fiscal year, FOR
52 TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND
53 ON OR BEFORE THE FIFTEENTH DAY OF THE FOURTH MONTH AFTER THE CLOSE OF
54 ITS FISCAL YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST,
55 TWO THOUSAND SIXTEEN, and except, also, that a corporation which is a
56 DISC shall transmit its report on or before the fifteenth day of the

1 ninth month following the close of its calendar or fiscal year), setting
2 forth such information as the [tax commission] COMMISSIONER may
3 prescribe and every taxpayer which ceases to exercise its franchise or
4 to be subject to the tax imposed by this article shall transmit to the
5 [tax commission] COMMISSIONER a report on the date of such cessation or
6 at such other time as the [tax commission] COMMISSIONER may require
7 covering each year or period for which no report was theretofore filed.
8 In the case of a termination year of an S corporation, the S short year
9 and the C short year shall be treated as separate short taxable years,
10 provided, however, the due date of the report for the S short year shall
11 be the same as the due date of the report for the C short year. Every
12 taxpayer shall also transmit such other reports and such facts and
13 information as the [tax commission] COMMISSIONER may require in the
14 administration of this article. The [tax commission] COMMISSIONER may
15 grant a reasonable extension of time for filing reports whenever good
16 cause exists.

17 An automatic extension of six months for the filing of its annual
18 report shall be allowed any taxpayer if, within the time prescribed by
19 the preceding paragraph, such taxpayer files with the [tax commission]
20 COMMISSIONER an application for extension in such form as [said commis-
21 sion] THE COMMISSIONER may prescribe by regulation and pays on or before
22 the date of such filing the amount properly estimated as its tax.

23 S 10. Subdivision (a) of section 213-b of the tax law, as amended by
24 section 2 of part G-1 of chapter 57 of the laws of 2009, is amended to
25 read as follows:

26 (a) First installments for certain taxpayers.--In privilege periods of
27 twelve months ending at any time during the calendar year nineteen
28 hundred seventy and thereafter, every taxpayer subject to the tax
29 imposed by section two hundred nine of this chapter must pay with the
30 report required to be filed for the preceding privilege period, or with
31 an application for extension of the time for filing the report, FOR
32 TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND
33 MUST PAY ON OR BEFORE THE FIFTEENTH DAY OF THE THIRD MONTH OF SUCH PRIV-
34 ILEGE PERIODS, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST,
35 TWO THOUSAND SIXTEEN, an amount equal to (i) twenty-five percent of the
36 preceding year's tax if the preceding year's tax exceeded one thousand
37 dollars but was equal to or less than one hundred thousand dollars, or
38 (ii) forty percent of the preceding year's tax if the preceding year's
39 tax exceeded one hundred thousand dollars. If the preceding year's tax
40 under section two hundred nine of this chapter exceeded one thousand
41 dollars and the taxpayer is subject to the tax surcharge imposed by
42 section two hundred nine-B of this chapter, the taxpayer must also pay
43 with the tax surcharge report required to be filed for the preceding
44 privilege period, or with an application for extension of the time for
45 filing the report, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO
46 THOUSAND SIXTEEN, AND MUST PAY ON OR BEFORE THE FIFTEENTH DAY OF THE
47 THIRD MONTH OF SUCH PRIVILEGE PERIODS, FOR TAXABLE YEARS BEGINNING ON OR
48 AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, an amount equal to (i) twen-
49 ty-five percent of the tax surcharge imposed for the preceding year if
50 the preceding year's tax was equal to or less than one hundred thousand
51 dollars, or (ii) forty percent of the tax surcharge imposed for the
52 preceding year if the preceding year's tax exceeded one hundred thousand
53 dollars.

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

1 (f) The preceding year's tax defined.-- As used in this section, "the
2 preceding year's tax" means the tax imposed upon the taxpayer by section
3 two hundred nine of this chapter for the preceding calendar or fiscal
4 year, or, for purposes of computing the first installment of estimated
5 tax when EITHER THE MANDATORY FIRST INSTALLMENT IS PAID PURSUANT TO
6 SUBDIVISION (A) OF THIS SECTION OR an application has been filed for
7 extension of the time for filing the report required to be filed for
8 such preceding calendar or fiscal year, the amount properly estimated
9 pursuant to section two hundred thirteen of this chapter as the tax
10 imposed upon the taxpayer for such calendar or fiscal year.

11 S 12. Paragraph 1 of subsection (c) of section 658 of the tax law, as
12 amended by chapter 760 of the laws of 1992, is amended to read as
13 follows:

14 (1) Partnerships. Every partnership having a resident partner or
15 having any income derived from New York sources, determined in accord-
16 ance with the applicable rules of section six hundred thirty-one as in
17 the case of a nonresident individual, shall make a return for the taxa-
18 ble year setting forth all items of income, gain, loss and deduction and
19 such other pertinent information as the commissioner may by regulations
20 and instructions prescribe. Such return shall be filed on or before the
21 fifteenth day of the fourth month following the close of each taxable
22 year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND
23 SIXTEEN, AND ON OR BEFORE THE FIFTEENTH DAY OF THE THIRD MONTH FOLLOWING
24 THE CLOSE OF EACH TAXABLE YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER
25 JANUARY FIRST, TWO THOUSAND SIXTEEN, except that the due date for the
26 return of a partnership consisting entirely of nonresident aliens shall
27 be the date prescribed for the filing of its federal partnership return
28 for the taxable year. For purposes of this paragraph, "taxable year"
29 means a year or a period which would be a taxable year of the partner-
30 ship if it were subject to tax under this article.

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

34 (A) Every subchapter K limited liability company, every limited
35 liability company that is a disregarded entity for federal income tax
36 purposes, and every partnership which has any income derived from New
37 York sources, determined in accordance with the applicable rules of
38 section six hundred thirty-one of this article as in the case of a
39 nonresident individual, shall[, within sixty days after the last day of
40 the taxable year,] ON OR BEFORE THE FIFTEENTH DAY OF THE THIRD MONTH
41 FOLLOWING THE CLOSE OF EACH TAXABLE YEAR make a payment of a filing fee.
42 The amount of the filing fee is the amount set forth in subparagraph (B)
43 of this paragraph. The minimum filing fee is twenty-five dollars for
44 taxable years beginning in two thousand eight and thereafter. Limited
45 liability companies that are disregarded entities for federal income tax
46 purposes must pay a filing fee of twenty-five dollars for taxable years
47 beginning on or after January first, two thousand eight.

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

50 (i) Prepaid tax.--For purposes of this section, any tax paid by the
51 taxpayer before the last day prescribed for its payment (including any
52 amount paid by the taxpayer as estimated tax for a taxable year) shall
53 be deemed to have been paid by it on the fifteenth day of the third
54 month following the close of the taxable year the income of which is the
55 basis for tax under article nine-a, [nine-b or nine-c,] or on the last
56 day prescribed in article nine for the filing of a final return for such

1 taxable year, or portion thereof, determined in all cases without regard
2 to any extension of time granted the taxpayer, FOR TAXABLE YEARS BEGIN-
3 NING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON THE FIFTEENTH
4 DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR THE
5 INCOME OF WHICH IS THE BASIS FOR TAX UNDER ARTICLE NINE-A, OR ON THE
6 LAST DAY PRESCRIBED IN ARTICLE NINE FOR THE FILING OF A FINAL RETURN FOR
7 SUCH TAXABLE YEAR, OR PORTION THEREOF, DETERMINED IN ALL CASES WITHOUT
8 REGARD TO ANY EXTENSION OF TIME GRANTED THE TAXPAYER, FOR TAXABLE YEARS
9 BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN.

10 S 15. Paragraph 3 of subdivision (a) of section 1514 of the tax law,
11 as amended by section 89 of part A of chapter 389 of the laws of 1997,
12 is amended to read as follows:

13 (3) Such amount or amounts described in paragraphs one and two of this
14 subdivision shall be paid with the return required to be filed with
15 respect to such tax or tax surcharge for such preceding taxable year or
16 with an application for extension of the time for filing such return,
17 FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN,
18 AND SHALL BE PAID ON OR BEFORE THE FIFTEENTH DAY OF THE THIRD MONTH OF
19 EACH TAXABLE YEAR, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY
20 FIRST, TWO THOUSAND SIXTEEN.

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

24 (f) The preceding year's tax defined. As used in this section, "the
25 preceding year's tax" means, for taxpayers subject to tax under subdivi-
26 sion (b) of section fifteen hundred ten of this article, the taxes
27 imposed upon the taxpayer by sections fifteen hundred one and fifteen
28 hundred ten of this article from the preceding taxable year or as other-
29 wise determined by subdivision (b) of section fifteen hundred five of
30 this article, and for taxpayers subject to tax under section fifteen
31 hundred two-a of this article, the tax imposed upon the taxpayer by such
32 section fifteen hundred two-a of this article from the preceding year,
33 or for purposes of computing the first installment of estimated tax when
34 EITHER THE MANDATORY FIRST INSTALLMENT IS PAID PURSUANT TO SUBDIVISION
35 (A) OF THIS SECTION OR an application has been filed for extension of
36 the time for filing the return required to be filed for such preceding
37 taxable year, the amount properly estimated pursuant to paragraph one of
38 subdivision (b) of section fifteen hundred sixteen of this article as
39 the tax imposed upon the taxpayer for such taxable year.

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

43 (a) Every taxpayer and every other foreign and alien insurance corpo-
44 ration having an employee, including any officer, in this state or
45 having an agent or representative in this state, shall annually, on or
46 before the fifteenth day of the third month following the close of its
47 taxable year, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO
48 THOUSAND SIXTEEN, AND ON OR BEFORE THE FIFTEENTH DAY OF THE FOURTH MONTH
49 FOLLOWING THE CLOSE OF ITS TAXABLE YEAR, FOR TAXABLE YEARS BEGINNING ON
50 OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, transmit to the [tax
51 commission] COMMISSIONER a return in a form prescribed by [it] THE
52 COMMISSIONER setting forth such information as the [tax commission]
53 COMMISSIONER may prescribe and every taxpayer which ceases to exercise
54 its franchise or to be subject to the tax imposed by this article shall
55 transmit to the [tax commission] COMMISSIONER a return on the date of
56 such cessation or at such other time as the [tax commission] COMMISSION-

ER may require covering each year or period for which no return was theretofore filed. A copy of each return required under this subdivision shall also be transmitted to the superintendent of financial services at or before the times specified for filing such returns with the [tax commission] COMMISSIONER.

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

(a) General. [On or before the fifteenth day of the fourth month following the close of a taxable year, an] AN unincorporated business income tax return shall be made and filed, and the balance of any tax shown on the face of such return, not previously paid as installments of estimated tax, shall be paid, ON OR BEFORE THE FIFTEENTH DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF A TAXABLE YEAR FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ON OR BEFORE THE FIFTEENTH DAY OF THE THIRD MONTH FOLLOWING THE CLOSE OF A TAXABLE YEAR FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN:

(1) by or for every unincorporated business, for taxable years beginning after nineteen hundred eighty-six but before nineteen hundred ninety-seven, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than ten thousand dollars, or having any amount of unincorporated business taxable income;

(2) by or for every partnership, for taxable years beginning after nineteen hundred ninety-six but before two thousand nine, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than twenty-five thousand dollars, or having unincorporated business taxable income of more than fifteen thousand dollars;

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

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

(b) Decedents. The return for any deceased individual shall be made and filed by his or her executor, administrator, or other person charged with his or her property. If a final return of a decedent is for a fractional part of a year, the due date of such return shall be, FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, the fifteenth day of the fourth month following the close of the twelve-month period [which] THAT began with the first day of such fractional part of the year, AND, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, THE FIFTEENTH DAY OF THE THIRD MONTH FOLLOWING THE CLOSE OF THE TWELVE-MONTH PERIOD THAT BEGAN WITH THE FIRST DAY OF SUCH FRACTIONAL PART OF THE YEAR.

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

1 (i) Prepaid tax. For purposes of this section, any tax paid by the
2 taxpayer before the last day prescribed for its payment and any amount
3 paid by the taxpayer as estimated tax for a taxable year shall be deemed
4 to have been paid by the taxpayer, FOR TAXABLE YEARS BEGINNING BEFORE
5 JANUARY FIRST, TWO THOUSAND SIXTEEN, on the fifteenth day of the fourth
6 month following the close of his or her taxable year with respect to
7 which such amount constitutes a credit or payment, AND, FOR TAXABLE
8 YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, ON THE
9 FIFTEENTH DAY OF THE THIRD MONTH FOLLOWING THE CLOSE OF HIS OR HER TAXA-
10 BLE YEAR WITH RESPECT TO WHICH SUCH AMOUNT CONSTITUTES A CREDIT OR
11 PAYMENT.

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

15 (a) For the privilege of doing business, or of employing capital, or
16 of owning or leasing property in the city in a corporate or organized
17 capacity, or of maintaining an office in the city, for all or any part
18 of each of its fiscal or calendar years, every domestic or foreign
19 corporation, except corporations specified in subdivision four of this
20 section, shall annually pay a tax, upon the basis of its business
21 income, or upon such other basis as may be applicable as hereinafter
22 provided, for such fiscal or calendar year or part thereof, on a report
23 [which] THAT shall be filed, except as hereinafter provided, FOR TAXABLE
24 YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, on or before
25 the fifteenth day of March next succeeding the close of each such CALEN-
26 DAR year, or, in the case of a taxpayer [which] THAT reports on the
27 basis of a fiscal year, within two and one-half months after the close
28 of EACH such fiscal year, AND FOR TAXABLE YEARS BEGINNING ON OR AFTER
29 JANUARY FIRST, TWO THOUSAND SIXTEEN, ON OR BEFORE THE FIFTEENTH DAY OF
30 APRIL NEXT SUCCEEDING THE CLOSE OF EACH SUCH CALENDAR YEAR, OR, IN THE
31 CASE OF A TAXPAYER THAT REPORTS ON THE BASIS OF A FISCAL YEAR, WITHIN
32 THREE AND ONE-HALF MONTHS AFTER THE CLOSE OF EACH SUCH FISCAL YEAR, and
33 shall be paid as hereinafter provided.

34 S 21. Subdivision 1 of section 11-655 of the administrative code of
35 the city of New York, as added by section 1 of part D of chapter 60 of
36 the laws of 2015, is amended to read as follows:

37 1. Every corporation having an officer, agent or representative within
38 the city, shall, annually on or before March fifteenth FOR TAXABLE YEARS
39 BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, AND ANNUALLY ON OR
40 BEFORE APRIL FIFTEENTH FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY
41 FIRST, TWO THOUSAND SIXTEEN, transmit to the commissioner of finance a
42 report, in a form prescribed by the commissioner of finance [(except
43 that a corporation which reports on the basis of a fiscal year shall
44 transmit its report within two and one-half months after the close of
45 its fiscal year)], setting forth such information as the commissioner of
46 finance may prescribe, [and every] EXCEPT THAT A CORPORATION THAT
47 REPORTS ON THE BASIS OF A FISCAL YEAR SHALL TRANSMIT SUCH REPORT, FOR
48 TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN,
49 WITHIN TWO AND ONE-HALF MONTHS AFTER THE CLOSE OF ITS FISCAL YEAR, AND,
50 FOR TAXABLE YEARS BEGINNING AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN,
51 WITHIN THREE AND ONE-HALF MONTHS AFTER THE CLOSE OF ITS FISCAL YEAR.
52 EVERY taxpayer [which] THAT ceases to do business in the city or to be
53 subject to the tax imposed by this subchapter shall transmit to the
54 commissioner of finance a report on the date of such cessation or at
55 such other time as the commissioner of finance may require covering each
56 year or period for which no report was theretofore filed. Every taxpayer

shall also transmit such other reports and such facts and information as the commissioner of finance may require in the administration of this subchapter. The commissioner of finance may grant a reasonable extension of time for filing reports whenever good cause exists.

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

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

1. [Every] FOR TAXABLE YEARS BEGINNING BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, EVERY taxpayer subject to the tax imposed by section 11-653 of this subchapter shall pay with the report required to be filed for the preceding privilege period, if any, or with an application for extension of the time and filing such report, an amount equal to twenty-five per centum of the preceding year's tax if such preceding year's tax exceeded one thousand dollars. FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, SUCH AMOUNT SHALL BE PAID ON OR BEFORE THE FIFTEENTH DAY OF MARCH NEXT SUCCEEDING THE CLOSE OF EACH SUCH CALENDAR YEAR, OR, IN THE CASE OF A TAXPAYER THAT REPORTS ON THE BASIS OF A FISCAL YEAR, WITHIN TWO AND ONE-HALF MONTHS AFTER THE CLOSE OF EACH SUCH FISCAL YEAR.

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

6. As used in this section, "the preceding year's tax" means the tax imposed upon the taxpayer by section 11-653 of this subchapter for the preceding calendar or fiscal year, or, for purposes of computing the first installment of estimated tax when EITHER THE MANDATORY FIRST INSTALLMENT IS PAID PURSUANT TO SUBDIVISION ONE OF THIS SECTION OR an application has been filed for extension of the time for filing the report required to be filed for such preceding calendar or fiscal year, the amount properly estimated pursuant to section 11-657 of this subchapter as the tax imposed upon the taxpayer for such calendar or fiscal year.

S 24. This act shall take effect immediately provided, however, that section five of this act shall take effect on the same date and in the same manner as section 26 of part S of chapter 59 of the laws of 2014, takes effect, and that section five of this act shall apply to taxable years beginning on or after January 1, 2018 and that section thirteen of this act shall apply to taxable years beginning on or after January 1, 2016.

PART R

Section 1. Subparagraph (iv) of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 12 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

(iv) (A) for taxable years beginning before January first, two thousand sixteen, if the business income base is not more than two hundred ninety thousand dollars the amount shall be six and one-half percent of the business income base; if the business income base is more than two

1 hundred ninety thousand dollars but not over three hundred ninety thou-
2 sand dollars the amount shall be the sum of (1) eighteen thousand eight
3 hundred fifty dollars, (2) seven and one-tenth percent of the excess of
4 the business income base over two hundred ninety thousand dollars but
5 not over three hundred ninety thousand dollars and (3) four and thirty-
6 five hundredths percent of the excess of the business income base over
7 three hundred fifty thousand dollars but not over three hundred ninety
8 thousand dollars;

9 (B) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-
10 SAND SEVENTEEN, IF THE BUSINESS INCOME BASE IS NOT MORE THAN TWO HUNDRED
11 NINETY THOUSAND DOLLARS THE AMOUNT SHALL BE FOUR PERCENT OF THE BUSINESS
12 INCOME BASE; IF THE BUSINESS INCOME BASE IS MORE THAN TWO HUNDRED NINETY
13 THOUSAND DOLLARS BUT NOT OVER THREE HUNDRED NINETY THOUSAND DOLLARS THE
14 AMOUNT SHALL BE THE SUM OF (1) ELEVEN THOUSAND SIX HUNDRED DOLLARS, (2)
15 SIX AND ONE-HALF PERCENT OF THE EXCESS OF THE BUSINESS INCOME BASE OVER
16 TWO HUNDRED NINETY THOUSAND DOLLARS BUT NOT OVER THREE HUNDRED NINETY
17 THOUSAND DOLLARS AND (3) EIGHTEEN AND THIRTEEN HUNDREDTHS PERCENT OF THE
18 EXCESS OF THE BUSINESS INCOME BASE OVER THREE HUNDRED FIFTY THOUSAND
19 DOLLARS BUT NOT OVER THREE HUNDRED NINETY THOUSAND DOLLARS;

20 S 2. Paragraph 39 of subsection (c) of section 612 of the tax law, as
21 added by section 1 of part Y of chapter 59 of the laws of 2013, is
22 amended to read as follows:

23 (39) (A) In the case of a taxpayer who is a small business OR A
24 TAXPAYER WHO IS A MEMBER, PARTNER, OR SHAREHOLDER OF A LIMITED LIABILITY
25 COMPANY, PARTNERSHIP, OR NEW YORK S CORPORATION, RESPECTIVELY, THAT IS A
26 SMALL BUSINESS, who OR WHICH has business income and/or farm income as
27 defined in the laws of the United States, an amount equal to [three]
28 FIFTEEN percent of the net items of income, gain, loss and deduction
29 attributable to such business or farm entering into federal adjusted
30 gross income, but not less than zero[, for taxable years beginning after
31 two thousand thirteen, an amount equal to three and three-quarters
32 percent of the net items of income, gain, loss and deduction attribut-
33 able to such business or farm entering into federal adjusted gross
34 income, but not less than zero, for taxable years beginning after two
35 thousand fourteen, and an amount equal to five percent of the net items
36 of income, gain, loss and deduction attributable to such business or
37 farm entering into federal adjusted gross income, but not less than
38 zero, for taxable years beginning after two thousand fifteen].

39 (B) (I) For the purposes of this paragraph, the term small business
40 shall mean: (I) a sole proprietor [or a farm business] who employs one
41 or more persons during the taxable year and who has net business income
42 or net farm income of less than two hundred fifty thousand dollars, OR
43 (II) A LIMITED LIABILITY COMPANY, PARTNERSHIP OR NEW YORK S CORPORATION
44 THAT DURING THE TAXABLE YEAR EMPLOYS ONE OR MORE PERSONS AND HAS NEW
45 YORK GROSS BUSINESS INCOME ATTRIBUTABLE TO A NON-FARM BUSINESS THAT IS
46 GREATER THAN ZERO BUT LESS THAN ONE MILLION FIVE HUNDRED THOUSAND
47 DOLLARS OR NET FARM INCOME ATTRIBUTABLE TO A FARM BUSINESS THAT IS
48 GREATER THAN ZERO BUT LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS.

49 (II) FOR PURPOSES OF THIS PARAGRAPH, THE TERM NEW YORK GROSS BUSINESS
50 INCOME SHALL MEAN: (I) IN THE CASE OF A LIMITED LIABILITY COMPANY OR A
51 PARTNERSHIP NEW YORK SOURCE GROSS INCOME AS DEFINED IN SUBPARAGRAPH (B)
52 OF PARAGRAPH THREE OF SUBSECTION (C) OF SECTION SIX HUNDRED FIFTY-EIGHT
53 OF THIS ARTICLE, AND, (II) IN THE CASE OF A NEW YORK S CORPORATION, NEW
54 YORK RECEIPTS INCLUDED IN THE NUMERATOR OF THE APPORTIONMENT FACTOR
55 DETERMINED UNDER SECTION TWO HUNDRED TEN-A OF THIS CHAPTER FOR THE TAXA-
56 BLE YEAR.

(C) TO QUALIFY FOR THIS MODIFICATION IN RELATION TO A NON-FARM SMALL BUSINESS THAT IS A LIMITED LIABILITY COMPANY, PARTNERSHIP OR NEW YORK S CORPORATION, THE TAXPAYER'S INCOME ATTRIBUTABLE TO THE NET BUSINESS INCOME FROM ITS OWNERSHIP INTERESTS IN NON-FARM LIMITED LIABILITY COMPANIES, PARTNERSHIPS OR NEW YORK S CORPORATIONS MUST BE LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS.

S 3. Paragraph 35 of subdivision (c) of section 11-1712 of the administrative code of the city of New York, as added by section 2 of part Y of chapter 59 of the laws of 2013, is amended to read as follows:

(35) (A) In the case of a taxpayer who is a small business OR A TAXPAYER WHO IS A MEMBER, PARTNER, OR SHAREHOLDER OF A LIMITED LIABILITY COMPANY, PARTNERSHIP, OR NEW YORK S CORPORATION, RESPECTIVELY, THAT IS A SMALL BUSINESS, who OR WHICH has business income and/or farm income as defined in the laws of the United States, an amount equal to [three] FIFTEEN percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero[, for taxable years beginning after two thousand thirteen, an amount equal to three and three-quarters percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero, for taxable years beginning after two thousand fourteen, and an amount equal to five percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero, for taxable years beginning after two thousand fifteen].

(B) (I) For the purposes of this paragraph, the term small business shall mean: (I) a sole proprietor [or a farm business] who employs one or more persons during the taxable year and who has net business income or net farm income of less than two hundred fifty thousand dollars; OR (II) A LIMITED LIABILITY COMPANY, PARTNERSHIP OR NEW YORK S CORPORATION THAT DURING THE TAXABLE YEAR EMPLOYS ONE OR MORE PERSONS AND HAS NEW YORK GROSS BUSINESS INCOME ATTRIBUTABLE TO A NON-FARM BUSINESS THAT IS GREATER THAN ZERO BUT LESS THAN ONE MILLION FIVE HUNDRED THOUSAND DOLLARS OR NET FARM INCOME ATTRIBUTABLE TO A FARM BUSINESS THAT IS GREATER THAN ZERO BUT LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS.

(II) FOR PURPOSES OF THIS PARAGRAPH, THE TERM NEW YORK GROSS BUSINESS INCOME SHALL MEAN: (I) IN THE CASE OF A LIMITED LIABILITY COMPANY OR A PARTNERSHIP, NEW YORK SOURCE GROSS INCOME AS DEFINED IN SUBPARAGRAPH (B) OF PARAGRAPH THREE OF SUBSECTION (C) OF SECTION SIX HUNDRED FIFTY-EIGHT OF ARTICLE TWENTY-TWO OF THE TAX LAW, AND, (II) IN THE CASE OF A NEW YORK S CORPORATION, NEW YORK RECEIPTS INCLUDED IN THE NUMERATOR OF THE APPORTIONMENT FACTOR DETERMINED UNDER SECTION TWO HUNDRED TEN-A OF ARTICLE NINE-A OF THE TAX LAW FOR THE TAXABLE YEAR.

(C) TO QUALIFY FOR THIS MODIFICATION IN RELATION TO A NON-FARM SMALL BUSINESS THAT IS A LIMITED LIABILITY COMPANY, PARTNERSHIP OR NEW YORK S CORPORATION, THE TAXPAYER'S INCOME ATTRIBUTABLE TO THE NET BUSINESS INCOME FROM ITS OWNERSHIP INTERESTS IN NON-FARM LIMITED LIABILITY COMPANIES, PARTNERSHIPS OR NEW YORK S CORPORATIONS MUST BE LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS.

S 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2017.

PART S

Section 1. This act shall be known and may be cited as the "parental choice in education act".

1 S 2. The education law is amended by adding a new article 25 to read
2 as follows:

3 ARTICLE 25

4 EDUCATION SCHOLARSHIP AND PROGRAM TAX CREDIT

5 SECTION 1209. SHORT TITLE.

6 1210. DEFINITIONS.

7 1211. APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

8 1212. APPLICATIONS FOR APPROVAL TO ISSUE CERTIFICATES OF
9 RECEIPT.

10 1213. APPLICATION APPROVAL FOR CERTIFICATES OF RECEIPT.

11 1214. REVOCATION OF APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.

12 1215. REPORTING AND RECORDKEEPING.

13 1216. JOINT ANNUAL REPORT.

14 1217. COMMISSIONER; POWERS.

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

17 S 1210. DEFINITIONS. FOR THE PURPOSES OF THIS SECTION, THE FOLLOWING
18 TERMS SHALL HAVE THE FOLLOWING MEANINGS:

19 1. "AUTHORIZED CONTRIBUTION" MEANS THE CONTRIBUTION AMOUNT THAT IS
20 LISTED ON THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO A TAXPAY-
21 ER.

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

25 3. "EDUCATIONAL PROGRAM" MEANS AN ACADEMIC OR SIMILAR PROGRAM OF A
26 PUBLIC SCHOOL THAT ENHANCES THE CURRICULUM OR ACADEMIC PROGRAM OF THE
27 PUBLIC SCHOOL, OR PROVIDES A PRE-KINDERGARTEN PROGRAM TO A PUBLIC
28 SCHOOL. FOR PURPOSES OF THIS DEFINITION, THE INSTRUCTION, MATERIALS,
29 PROGRAMS AND OTHER ACTIVITIES OFFERED BY OR THROUGH AN EDUCATIONAL
30 PROGRAM MAY INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING FEATURES: (A)
31 INSTRUCTION OR MATERIALS PROMOTING HEALTH, PHYSICAL EDUCATION, AND FAMI-
32 LY AND CONSUMER SCIENCES; LITERARY, PERFORMING AND VISUAL ARTS; MATH-
33 EMATICS, SOCIAL STUDIES, TECHNOLOGY AND SCIENTIFIC ACHIEVEMENT; (B)
34 INSTRUCTION OR PROGRAMMING TO MEET THE EDUCATION NEEDS OF AT-RISK
35 STUDENTS OR STUDENTS WITH DISABILITIES, INCLUDING TUTORING OR COUN-
36 SELING; OR (C) THE USE OF SPECIALIZED INSTRUCTIONAL MATERIALS, INSTRU-
37 TORS OR INSTRUCTION NOT PROVIDED BY A PUBLIC SCHOOL.

38 4. "EDUCATIONAL SCHOLARSHIP ORGANIZATION" MEANS AN ENTITY THAT:

39 (A) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF
40 SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE; (B) USES AT LEAST
41 NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING THE CALEN-
42 DAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS DURING SUCH
43 YEAR FOR SCHOLARSHIPS; (C) 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; (D) 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; (E) PROVIDES SCHOLARSHIPS TO ELIGIBLE

1 PUPILS FOR USE AT NOT FEWER THAN THREE QUALIFIED SCHOOLS; AND (F) IS
2 APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO THIS ARTICLE.

3 5. "ELIGIBLE PUPIL" MEANS A CHILD WHO IS: (A) A RESIDENT OF THIS
4 STATE; (B) OF SCHOOL AGE IN ACCORDANCE WITH SUBDIVISION ONE OF SECTION
5 THIRTY-TWO HUNDRED TWO OF THIS CHAPTER OR WHO IS FOUR YEARS OF AGE ON OR
6 BEFORE DECEMBER FIRST OF THE YEAR IN WHICH SUCH CHILD IS ENROLLED IN A
7 PRE-KINDERGARTEN PROGRAM; (C) ATTENDS OR IS ABOUT TO ATTEND A QUALIFIED
8 SCHOOL; AND (D) RESIDES IN A HOUSEHOLD THAT HAS A FEDERAL ADJUSTED GROSS
9 INCOME OF TWO HUNDRED FIFTY THOUSAND DOLLARS OR LESS, PROVIDED HOWEVER,
10 FOR HOUSEHOLDS WITH THREE OR MORE DEPENDENT CHILDREN, SUCH INCOME LEVEL
11 SHALL BE INCREASED BY TEN THOUSAND DOLLARS PER DEPENDENT CHILD, NOT TO
12 EXCEED THREE HUNDRED THOUSAND DOLLARS.

13 6. "LOCAL EDUCATION FUND" MEANS A NOT-FOR-PROFIT ENTITY THAT: (A) IS
14 EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION (C) OF SECTION
15 FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE; (B) IS ESTABLISHED FOR
16 THE PURPOSE OF SUPPORTING AT LEAST ONE PUBLIC SCHOOL OR PUBLIC SCHOOL
17 DISTRICT LOCATED IN THIS STATE; (C) USES AT LEAST NINETY PERCENT OF THE
18 QUALIFIED CONTRIBUTIONS RECEIVED DURING THE CALENDAR YEAR AND ANY INCOME
19 DERIVED FROM QUALIFIED CONTRIBUTIONS DURING SUCH MONTHS TO SUPPORT THE
20 PUBLIC SCHOOL OR SCHOOLS OR PUBLIC SCHOOL DISTRICT OR DISTRICTS THAT
21 SUCH FUND HAS BEEN ESTABLISHED TO SUPPORT; (D) DEPOSITS AND HOLDS QUALI-
22 FIED CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS
23 IN AN ACCOUNT THAT IS SEPARATE FROM THE FUND'S OPERATING OR OTHER FUNDS
24 UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE; AND
25 (E) IS APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO THIS ARTI-
26 CLE.

27 7. "NON-PUBLIC SCHOOL" MEANS ANY NOT-FOR-PROFIT PRE-KINDERGARTEN
28 PROGRAM, ELEMENTARY, OR SECONDARY SECTARIAN OR NONSECTARIAN SCHOOL
29 LOCATED IN THIS STATE, OTHER THAN A PUBLIC SCHOOL, THAT PROVIDES
30 INSTRUCTION AT ONE OR MORE LOCATIONS TO AN ELIGIBLE PUPIL IN ACCORDANCE
31 WITH SECTION THIRTY-TWO HUNDRED FOUR OF THIS CHAPTER.

32 8. "PUBLIC EDUCATION ENTITY" MEANS A PUBLIC SCHOOL DISTRICT OR A
33 PUBLIC SCHOOL IN THIS STATE, PROVIDED THAT SUCH PUBLIC SCHOOL DISTRICT
34 OR PUBLIC SCHOOL: (A) DEPOSITS AND HOLDS QUALIFIED CONTRIBUTIONS AND ANY
35 INCOME DERIVED FROM SUCH QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS
36 SEPARATE FROM THE PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT'S OPERATING OR
37 OTHER FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN
38 FOR USE; AND (B) IS APPROVED TO RECEIVE AUTHORIZED CONTRIBUTIONS AND
39 ISSUE CERTIFICATES OF RECEIPT PURSUANT TO THIS ARTICLE.

40 9. "PUBLIC SCHOOL" MEANS ANY FREE ELEMENTARY OR SECONDARY SCHOOL IN
41 THIS STATE PURSUANT TO ARTICLE ELEVEN OF THE CONSTITUTION, BUT SHALL NOT
42 INCLUDE A CHARTER SCHOOL AUTHORIZED BY ARTICLE FIFTY-SIX OF THIS CHAP-
43 TER.

44 10. "QUALIFIED CONTRIBUTION" MEANS THE AUTHORIZED CONTRIBUTION MADE BY
45 A TAXPAYER TO A PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZA-
46 TION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION
47 LISTED IN THE CONTRIBUTION AUTHORIZATION CERTIFICATE ISSUED TO THE
48 TAXPAYER FOR WHICH THE TAXPAYER HAS RECEIVED A CERTIFICATE OF RECEIPT
49 FROM SUCH ENTITY, FUND OR ORGANIZATION. A CONTRIBUTION DOES NOT QUALIFY
50 IF THE TAXPAYER DESIGNATES THE TAXPAYER'S CONTRIBUTION TO AN ENTITY OR
51 ORGANIZATION FOR THE DIRECT BENEFIT OF ANY PARTICULAR OR SPECIFIED
52 STUDENT.

53 11. "QUALIFIED SCHOOL" MEANS A PUBLIC SCHOOL OR NON-PUBLIC SCHOOL
54 LOCATED IN THIS STATE.

55 12. "SCHOLARSHIP" MEANS AN EDUCATIONAL SCHOLARSHIP OR TUITION GRANT
56 AWARDED TO AN ELIGIBLE PUPIL TO ATTEND A QUALIFIED SCHOOL IN AN AMOUNT

1 NOT TO EXCEED THE TUITION CHARGED TO ATTEND SUCH SCHOOL LESS ANY OTHER
2 EDUCATIONAL SCHOLARSHIP OR TUITION GRANT RECEIVED BY SUCH ELIGIBLE PUPIL
3 OR HIS OR HER PARENT, PARENTS, LEGAL GUARDIAN, OR LEGAL GUARDIANS FOR
4 SUCH ELIGIBLE PUPIL'S TUITION; PROVIDED, HOWEVER, IN THE CASE OF AN
5 ELIGIBLE PUPIL ATTENDING A PUBLIC SCHOOL OF A DISTRICT OF WHICH SUCH
6 PUPIL IS NOT A RESIDENT, THE AMOUNT OF THE EDUCATIONAL SCHOLARSHIP OR
7 TUITION GRANT AWARDED MAY NOT EXCEED THE TUITION CHARGED BY THE PUBLIC
8 SCHOOL PURSUANT TO PARAGRAPH D OF SUBDIVISION FOUR OF SECTION THIRTY-TWO
9 HUNDRED TWO OF THIS CHAPTER, BUT ONLY IF THE SCHOOL DISTRICT OF WHICH
10 SUCH PUPIL IS A RESIDENT IS NOT REQUIRED TO PAY FOR SUCH TUITION.

11 13. "SCHOOL IMPROVEMENT ORGANIZATION" MEANS A NOT-FOR-PROFIT ENTITY
12 THAT: (A) IS EXEMPT FROM TAXATION UNDER PARAGRAPH THREE OF SUBSECTION
13 (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL REVENUE CODE; (B) USES
14 AT LEAST NINETY PERCENT OF THE QUALIFIED CONTRIBUTIONS RECEIVED DURING
15 THE CALENDAR YEAR AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS
16 DURING SUCH MONTHS TO ASSIST PUBLIC SCHOOLS OR PUBLIC SCHOOL DISTRICTS
17 LOCATED IN THIS STATE IN THEIR PROVISION OF EDUCATIONAL PROGRAMS, EITHER
18 BY MAKING CONTRIBUTIONS TO ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL
19 DISTRICTS LOCATED IN THIS STATE OR PROVIDING EDUCATIONAL PROGRAMS TO, OR
20 IN CONJUNCTION WITH, ONE OR MORE PUBLIC SCHOOLS OR PUBLIC SCHOOL
21 DISTRICTS LOCATED IN THIS STATE; (C) DEPOSITS AND HOLDS QUALIFIED
22 CONTRIBUTIONS AND ANY INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN
23 ACCOUNT THAT IS SEPARATE FROM THE ORGANIZATION'S OPERATING OR OTHER
24 FUNDS UNTIL SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR
25 USE; AND (D) IS APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO
26 THIS ARTICLE. SUCH TERM INCLUDES A PRE-KINDERGARTEN PROGRAM OR
27 NOT-FOR-PROFIT ENTITY THAT ALLOWS THE TAXPAYER TO CHOOSE TO DONATE TO A
28 PROGRAM PROJECT OR INITIATIVE FOR USE IN A PUBLIC SCHOOL.

29 S 1211. APPROVAL TO ISSUE CERTIFICATES OF RECEIPT. 1. PUBLIC SCHOOLS
30 AND PUBLIC SCHOOL DISTRICTS. ALL PUBLIC SCHOOLS AND PUBLIC SCHOOL
31 DISTRICTS SHALL BE APPROVED TO ISSUE CERTIFICATES OF RECEIPT FOR QUALI-
32 FIED CONTRIBUTIONS IN ACCORDANCE WITH SECTION FORTY-TWO OF THE TAX LAW,
33 PROVIDED, HOWEVER, THAT SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL DISTRICT
34 SHALL NOT BE APPROVED IF EITHER: (A) SUCH PUBLIC SCHOOL OR PUBLIC SCHOOL
35 DISTRICT FAILS TO DEPOSIT AND HOLD QUALIFIED CONTRIBUTIONS AND ANY
36 INCOME DERIVED FROM QUALIFIED CONTRIBUTIONS IN AN ACCOUNT THAT IS SEPA-
37 RATE FROM THE SCHOOL OR SCHOOL DISTRICT'S OPERATING OR OTHER FUNDS UNTIL
38 SUCH QUALIFIED CONTRIBUTIONS OR INCOME ARE WITHDRAWN FOR USE; OR (B) THE
39 COMMISSIONER HAS REVOKED SUCH APPROVAL FOR SUCH PUBLIC SCHOOL OR PUBLIC
40 SCHOOL DISTRICT PURSUANT TO SECTION TWELVE HUNDRED FOURTEEN OF THIS
41 ARTICLE.

42 2. SCHOOL IMPROVEMENT ORGANIZATIONS, EDUCATIONAL SCHOLARSHIP ORGANIZA-
43 TIONS AND LOCAL EDUCATION FUNDS. NO SCHOOL IMPROVEMENT ORGANIZATION,
44 EDUCATIONAL SCHOLARSHIP ORGANIZATION OR LOCAL EDUCATION FUND SHALL ISSUE
45 ANY CERTIFICATES OF RECEIPT WITHOUT FILING AN APPLICATION PURSUANT TO
46 SECTION TWELVE HUNDRED TWELVE OF THIS ARTICLE AND RECEIVING APPROVAL
47 PURSUANT TO SECTION TWELVE HUNDRED THIRTEEN OF THIS ARTICLE.

48 S 1212. APPLICATIONS FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT.
49 EACH SCHOOL IMPROVEMENT ORGANIZATION, EDUCATIONAL SCHOLARSHIP ORGANIZA-
50 TION AND LOCAL EDUCATION FUND SHALL SUBMIT AN APPLICATION TO THE COMMIS-
51 SIONER FOR APPROVAL TO ISSUE CERTIFICATES OF RECEIPT IN THE FORM AND
52 MANNER PRESCRIBED BY THE COMMISSIONER, PROVIDED THAT SUCH APPLICATION
53 SHALL INCLUDE: (A) SUBMISSION OF DOCUMENTATION THAT SUCH SCHOOL IMPROVE-
54 MENT ORGANIZATION, LOCAL EDUCATION FUND OR EDUCATIONAL SCHOLARSHIP
55 ORGANIZATION HAS BEEN GRANTED EXEMPTION FROM TAXATION UNDER PARAGRAPH
56 THREE OF SUBSECTION (C) OF SECTION FIVE HUNDRED ONE OF THE INTERNAL

1 REVENUE CODE; (B) A LIST OF NAMES AND ADDRESSES OF ALL MEMBERS OF THE
2 GOVERNING BOARD OF THE SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION
3 FUND OR EDUCATIONAL SCHOLARSHIP ORGANIZATION; AND (C) FOR AN EDUCATIONAL
4 SCHOLARSHIP ORGANIZATION, SUBMISSION OF CRITERIA FOR THE AWARDING OF
5 SCHOLARSHIPS TO ELIGIBLE STUDENTS.

6 S 1213. APPLICATION APPROVAL FOR CERTIFICATES OF RECEIPT. 1. IN GENER-
7 AL. THE COMMISSIONER SHALL REVIEW EACH APPLICATION TO ISSUE CERTIFICATES
8 OF RECEIPT PURSUANT TO THIS ARTICLE. THE COMMISSIONER SHALL PUBLISH
9 CRITERIA USED TO DETERMINE SELECTION AND ESTABLISH AN APPEALS PROCESS
10 FOR APPLICATIONS THAT ARE NOT APPROVED.

11 2. NOTIFICATION. APPLICANTS SHALL BE NOTIFIED OF THE COMMISSIONER'S
12 DETERMINATION WITHIN FIVE BUSINESS DAYS OF THE DETERMINATION.

13 S 1214. REVOCATION OF APPROVAL TO ISSUE CERTIFICATES OF RECEIPT. THE
14 COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF TAXATION AND
15 FINANCE, MAY REVOKE THE APPROVAL OF A SCHOOL IMPROVEMENT ORGANIZATION,
16 EDUCATIONAL SCHOLARSHIP ORGANIZATION, LOCAL EDUCATION FUND, PUBLIC
17 SCHOOL OR PUBLIC SCHOOL DISTRICT TO ISSUE CERTIFICATES OF RECEIPT UPON A
18 FINDING THAT SUCH ORGANIZATION, FUND, SCHOOL OR SCHOOL DISTRICT HAS
19 VIOLATED THIS ARTICLE OR SECTION FORTY-TWO OF THE TAX LAW. THESE
20 VIOLATIONS SHALL INCLUDE, BUT NOT BE LIMITED TO, ANY OF THE FOLLOWING:
21 (A) FAILURE TO MEET THE REQUIREMENTS OF THIS ARTICLE OR SECTION
22 FORTY-TWO OF THE TAX LAW; (B) THE FAILURE TO MAINTAIN FULL AND ADEQUATE
23 RECORDS WITH RESPECT TO THE RECEIPT OF QUALIFIED CONTRIBUTIONS; (C) THE
24 FAILURE TO SUPPLY SUCH RECORDS TO THE COMMISSIONER, THE DEPARTMENT, OR
25 THE DEPARTMENT OF TAXATION AND FINANCE WHEN REQUESTED; OR (D) THE FAIL-
26 URE TO PROVIDE NOTICE TO THE DEPARTMENT OF TAXATION AND FINANCE OF THE
27 ISSUANCE OR NON-ISSUANCE OF CERTIFICATES OF RECEIPT PURSUANT TO SECTION
28 FORTY-TWO OF THE TAX LAW; PROVIDED, HOWEVER, THAT THE COMMISSIONER SHALL
29 NOT REVOKE APPROVAL PURSUANT TO THIS SECTION BASED UPON A VIOLATION OF
30 THE TAX LAW UNLESS THE COMMISSIONER OF TAXATION AND FINANCE AGREES THAT
31 REVOCATION IS WARRANTED; AND PROVIDED FURTHER THAT THE COMMISSIONER
32 SHALL NOT REVOKE APPROVAL PURSUANT TO THIS SECTION WHEN THE FAILURE TO
33 COMPLY IS DUE TO CLERICAL ERROR AND NOT NEGLIGENCE OR INTENTIONAL DISRE-
34 GARD FOR THE LAW. WITHIN FIVE DAYS OF THE DETERMINATION REVOKING
35 APPROVAL, THE COMMISSIONER SHALL PROVIDE NOTICE OF SUCH REVOCATION TO
36 THE EDUCATIONAL SCHOLARSHIP ORGANIZATION, SCHOOL IMPROVEMENT ORGANIZA-
37 TION, LOCAL EDUCATION FUND, PUBLIC SCHOOL, OR PUBLIC SCHOOL DISTRICT AND
38 TO THE DEPARTMENT OF TAXATION AND FINANCE. THE COMMISSIONER SHALL ESTAB-
39 LISH AN APPEALS PROCESS FOR DETERMINATIONS REVOKING APPROVALS.

40 S 1215. REPORTING AND RECORDKEEPING. 1. REPORTING. EACH EDUCATIONAL
41 SCHOLARSHIP ORGANIZATION, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCA-
42 TION FUND, PUBLIC SCHOOL AND PUBLIC SCHOOL DISTRICT THAT RECEIVES QUALI-
43 FIED CONTRIBUTIONS SHALL REPORT TO THE COMMISSIONER AND THE DEPARTMENT
44 OF TAXATION AND FINANCE BY JANUARY THIRTY-FIRST OF EACH CALENDAR YEAR.
45 SUCH REPORT SHALL BE IN THE FORM AND MANNER PRESCRIBED BY THE COMMIS-
46 SIONER IN CONSULTATION WITH THE COMMISSIONER OF TAXATION AND FINANCE.

47 2. RECORDKEEPING. EACH EDUCATIONAL SCHOLARSHIP ORGANIZATION, SCHOOL
48 IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, PUBLIC SCHOOL AND PUBLIC
49 SCHOOL DISTRICT THAT ISSUED AT LEAST ONE CERTIFICATE OF RECEIPT SHALL
50 MAINTAIN RECORDS INCLUDING: (A) NOTIFICATIONS RECEIVED FROM THE DEPART-
51 MENT OF TAXATION AND FINANCE; (B) NOTIFICATIONS MADE TO THE DEPARTMENT
52 OF TAXATION AND FINANCE; (C) COPIES OF QUALIFIED CONTRIBUTIONS RECEIVED;
53 (D) COPIES OF THE DEPOSIT OF SUCH QUALIFIED CONTRIBUTIONS; (E) COPIES OF
54 ISSUED CERTIFICATES OF RECEIPT; (F) ANNUAL FINANCIAL STATEMENTS; (G) IN
55 THE CASE OF SCHOOL IMPROVEMENT ORGANIZATIONS, EDUCATIONAL SCHOLARSHIP
56 ORGANIZATIONS AND LOCAL EDUCATION FUNDS, THE APPLICATION SUBMITTED

PURSUANT TO SECTION TWELVE HUNDRED TWELVE OF THIS ARTICLE AND THE APPROVAL ISSUED BY THE COMMISSIONER; AND (H) ANY OTHER INFORMATION PRESCRIBED BY THE COMMISSIONER. SUCH RECORDS SHALL BE MAINTAINED BY THE ENTITY OR ORGANIZATION FOR FIVE YEARS.

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

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

S 3. The education law is amended by adding a new section 1503-a to read as follows:

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

2. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER OR OF ANY OTHER GENERAL OR SPECIAL LAW TO THE CONTRARY, THE RECEIPT OF SUCH GIFTS, DONATIONS AND CONTRIBUTIONS MADE PURSUANT TO ARTICLE TWENTY-FIVE OF THIS CHAPTER, AND ANY INCOME DERIVED THEREFROM, SHALL BE DISREGARDED FOR THE PURPOSES OF ALL APPORTIONMENTS, COMPUTATIONS, AND DETERMINATIONS OF STATE AID.

S 4. The tax law is amended by adding a new section 42 to read as follows:

S 42. EDUCATION SCHOLARSHIP AND PROGRAM TAX CREDIT. (A) DEFINITIONS. FOR THE PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE SAME MEANINGS AS PROVIDED IN SECTION TWELVE HUNDRED TEN OF THE EDUCATION LAW: "AUTHORIZED CONTRIBUTION", "CONTRIBUTION", "EDUCATIONAL PROGRAM", "EDUCATIONAL SCHOLARSHIP ORGANIZATION", "ELIGIBLE PUPIL", "LOCAL EDUCATION FUND", "NON-PUBLIC SCHOOL", "PUBLIC EDUCATION ENTITY", "PUBLIC SCHOOL", "QUALIFIED CONTRIBUTION", "QUALIFIED SCHOOL", "SCHOLARSHIP", AND "SCHOOL IMPROVEMENT ORGANIZATION".

(B) ALLOWANCE OF CREDIT. A TAXPAYER SUBJECT TO TAX UNDER ARTICLE NINE-A OR TWENTY-TWO OF THIS CHAPTER SHALL BE ALLOWED AN EDUCATION SCHOLARSHIP AND PROGRAM TAX CREDIT AGAINST SUCH TAX, PURSUANT TO THE PROVISIONS REFERENCED IN SUBDIVISION (1) OF THIS SECTION, WITH RESPECT TO QUALIFIED CONTRIBUTIONS MADE DURING THE TAXABLE YEAR.

(C) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE THE LESSER OF SEVENTY-FIVE PER CENT OF THE TAXPAYER'S TOTAL QUALIFIED CONTRIBUTIONS OR ONE MILLION DOLLARS. 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 ONE MILLION DOLLARS.

(D) INFORMATION TO BE POSTED ON THE DEPARTMENT'S WEBSITE. BEGINNING ON THE SIXTEENTH DAY OF JANUARY OF EACH YEAR, 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. 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

1 LAW. THE COMMISSIONER SHALL ALSO MAINTAIN ON THE DEPARTMENT'S WEBSITE A
2 LIST OF PUBLIC EDUCATION ENTITIES, SCHOOL IMPROVEMENT ORGANIZATIONS,
3 LOCAL EDUCATION FUNDS AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS WHOSE
4 APPROVAL TO ISSUE CERTIFICATES OF RECEIPT HAS BEEN REVOKED, ALONG WITH
5 THE DATE OF SUCH REVOCATION.

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

17 (F) CONTRIBUTION AUTHORIZATION CERTIFICATES. 1. ISSUANCE OF CERTIF-
18 ICATES. THE COMMISSIONER SHALL ISSUE CONTRIBUTION AUTHORIZATION CERTIF-
19 ICATES IN TWO PHASES. IN PHASE ONE, WHICH BEGINS ON THE FIRST DAY OF
20 JANUARY AND ENDS ON THE FIFTEENTH DAY OF JANUARY, THE COMMISSIONER SHALL
21 ACCEPT APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES, BUT
22 SHALL NOT ISSUE ANY SUCH CERTIFICATES. COMMENCING AFTER THE SIXTEENTH
23 DAY OF JANUARY, THE COMMISSIONER SHALL ISSUE CONTRIBUTION AUTHORIZATION
24 CERTIFICATES FOR APPLICATIONS RECEIVED DURING PHASE ONE, PROVIDED THAT
25 IF THE AGGREGATE TOTAL OF THE CONTRIBUTIONS FOR WHICH APPLICATIONS HAVE
26 BEEN RECEIVED DURING PHASE ONE EXCEEDS THE AMOUNT OF THE CREDIT CAP IN
27 SUBDIVISION (H) OF THIS SECTION, PHASE ONE OF THE APPLICATIONS SHALL BE
28 ALLOCATED IN TWO STEPS. IN STEP ONE, THE CREDIT CAP SHALL BE DIVIDED BY
29 THE NUMBER OF APPLICATIONS TO DETERMINE A BASE ALLOCATION. EACH APPLICA-
30 TION REQUESTING THE BASE ALLOCATION OR LESS SHALL BE APPROVED. IN STEP
31 TWO, THE REMAINING FUNDS SHALL BE CALCULATED AND ALLOCATED AMONG THE
32 OTHER APPLICATIONS ON A DOLLAR PRO-RATA BASIS. IF THE CREDIT CAP IS NOT
33 EXCEEDED, PHASE TWO COMMENCES ON JANUARY SIXTEENTH AND ENDS ON NOVEMBER
34 FIRST, DURING WHICH PERIOD THE COMMISSIONER SHALL ISSUE CONTRIBUTION
35 AUTHORIZATION CERTIFICATES ON A FIRST-COME FIRST-SERVED BASIS BASED UPON
36 THE DATE THE DEPARTMENT RECEIVED THE TAXPAYER'S APPLICATION FOR SUCH
37 CERTIFICATE; PROVIDED, HOWEVER, THAT IF ON ANY DAY THE DEPARTMENT
38 RECEIVES APPLICATIONS REQUESTING CONTRIBUTION AUTHORIZATION CERTIFICATES
39 FOR CONTRIBUTIONS THAT IN THE AGGREGATE EXCEED THE AMOUNT OF THE REMAIN-
40 ING AVAILABLE CREDIT ON SUCH DAY, THE AUTHORIZED CONTRIBUTION AMOUNT
41 LISTED IN EACH CONTRIBUTION AUTHORIZATION CERTIFICATE SHALL BE THE
42 TAXPAYER'S PRO-RATA SHARE OF THE REMAINING AVAILABLE CREDIT. FOR
43 PURPOSES OF DETERMINING A TAXPAYER'S PRO-RATA SHARE OF REMAINING AVAIL-
44 ABLE CREDIT, THE COMMISSIONER SHALL MULTIPLY THE AMOUNT OF REMAINING
45 AVAILABLE CREDIT BY A FRACTION, THE NUMERATOR OF WHICH EQUALS THE TOTAL
46 CONTRIBUTION AMOUNT LISTED ON THE TAXPAYER'S APPLICATION AND THE DENOMI-
47 NATOR OF WHICH EQUALS THE AGGREGATE AMOUNT OF CONTRIBUTIONS LISTED ON
48 THE APPLICATIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES RECEIVED ON
49 SUCH DAY. CONTRIBUTION AUTHORIZATION CERTIFICATES FOR APPLICATIONS
50 RECEIVED DURING PHASE ONE SHALL BE MAILED NO LATER THAN THE FIFTH DAY OF
51 FEBRUARY. CONTRIBUTION AUTHORIZATION CERTIFICATES FOR APPLICATIONS
52 RECEIVED DURING PHASE TWO SHALL BE MAILED WITHIN TWENTY DAYS OF RECEIPT
53 OF SUCH APPLICATIONS. PROVIDED, HOWEVER, THAT NO CONTRIBUTION AUTHORI-
54 ZATION CERTIFICATES FOR APPLICATIONS RECEIVED DURING PHASE TWO SHALL BE
55 ISSUED UNTIL ALL OF THE CONTRIBUTION AUTHORIZATION CERTIFICATES FOR
56 APPLICATIONS RECEIVED DURING PHASE ONE HAVE BEEN ISSUED.

2. CONTRIBUTION AUTHORIZATION CERTIFICATE CONTENTS. EACH CONTRIBUTION AUTHORIZATION CERTIFICATE SHALL STATE: (I) THE DATE SUCH CERTIFICATION WAS ISSUED; (II) THE DATE BY WHICH THE AUTHORIZED CONTRIBUTION LISTED IN THE CERTIFICATE MUST BE MADE, WHICH SHALL BE NO LATER THAN NOVEMBER THIRTIETH OF THE YEAR FOR WHICH THE CONTRIBUTION AUTHORIZATION CERTIFICATE WAS ISSUED; (III) THE TAXPAYER'S NAME AND ADDRESS; (IV) THE AMOUNT OF AUTHORIZED CONTRIBUTIONS; (V) THE CONTRIBUTION AUTHORIZATION CERTIFICATE'S CERTIFICATE NUMBER; (VI) THE NAME AND ADDRESS OF THE PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND OR EDUCATIONAL SCHOLARSHIP ORGANIZATION FOR WHICH THE TAXPAYER MAY MAKE THE AUTHORIZED CONTRIBUTION; AND (VII) ANY OTHER INFORMATION THAT THE COMMISSIONER DEEMS NECESSARY.

3. NOTIFICATION OF THE ISSUANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE. UPON ISSUANCE OF A CONTRIBUTION AUTHORIZATION CERTIFICATE, THE COMMISSIONER SHALL NOTIFY THE EDUCATIONAL SCHOLARSHIP ORGANIZATION, PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION OR LOCAL EDUCATION FUND OF THE ISSUANCE OF THE CONTRIBUTION AUTHORIZATION CERTIFICATE TO A TAXPAYER. SUCH NOTIFICATION SHALL INCLUDE: (I) THE TAXPAYER'S NAME AND ADDRESS; (II) THE DATE SUCH CERTIFICATE WAS ISSUED; (III) THE DATE BY WHICH THE AUTHORIZED CONTRIBUTION LISTED IN THE NOTIFICATION MUST BE MADE BY THE TAXPAYER; (IV) THE AMOUNT OF THE AUTHORIZED CONTRIBUTION; (V) CONTRIBUTION AUTHORIZATION CERTIFICATE; AND (VI) ANY OTHER INFORMATION THAT THE COMMISSIONER DEEMS NECESSARY.

(G) CERTIFICATE OF RECEIPT. 1. IN GENERAL. NO PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL ISSUE A CERTIFICATE OF RECEIPT FOR ANY CONTRIBUTION MADE BY A TAXPAYER UNLESS SUCH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION HAS BEEN APPROVED TO ISSUE CERTIFICATES OF RECEIPT PURSUANT TO ARTICLE TWENTY-FIVE OF THE EDUCATION LAW. NO PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL ISSUE A CERTIFICATE OF RECEIPT FOR A CONTRIBUTION MADE BY A TAXPAYER UNLESS SUCH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION HAS RECEIVED NOTICE FROM THE DEPARTMENT THAT THE DEPARTMENT ISSUED A CREDIT AUTHORIZATION CERTIFICATE TO THE TAXPAYER FOR SUCH CONTRIBUTION.

2. TIMELY CONTRIBUTION. IF A TAXPAYER MAKES AN AUTHORIZED CONTRIBUTION TO THE PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SET FORTH ON THE AUTHORIZATION CERTIFICATE ISSUED TO THE TAXPAYER NO LATER THAN THE DATE BY WHICH SUCH AUTHORIZED CONTRIBUTION IS REQUIRED TO BE MADE, SUCH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL, WITHIN THIRTY DAYS OF RECEIPT OF THE AUTHORIZED CONTRIBUTION, ISSUE TO THE TAXPAYER A WRITTEN CERTIFICATE OF RECEIPT; PROVIDED, HOWEVER, THAT IF THE TAXPAYER CONTRIBUTES AN AMOUNT THAT IS LESS THAN THE AMOUNT LISTED ON THE TAXPAYER'S CONTRIBUTION AUTHORIZATION CERTIFICATE, THE TAXPAYER SHALL NOT BE ISSUED A CERTIFICATE OF RECEIPT FOR SUCH CONTRIBUTION.

3. CERTIFICATE OF RECEIPT CONTENTS. EACH CERTIFICATE OF RECEIPT SHALL STATE: (I) THE NAME AND ADDRESS OF THE ISSUING PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION; (II) THE TAXPAYER'S NAME AND ADDRESS; (III) THE DATE FOR EACH CONTRIBUTION; (IV) THE AMOUNT OF EACH CONTRIBUTION AND THE CORRESPONDING CONTRIBUTION AUTHORIZATION CERTIFICATE NUMBER; (V) THE

1 TOTAL AMOUNT OF CONTRIBUTIONS; AND (VI) ANY OTHER INFORMATION THAT THE
2 COMMISSIONER DEEMS NECESSARY.

3 4. NOTIFICATION TO THE DEPARTMENT OF THE ISSUANCE OF A CERTIFICATE OF
4 RECEIPT. UPON THE ISSUANCE OF A CERTIFICATE OF RECEIPT, THE ISSUING
5 PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION, LOCAL EDUCA-
6 TION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION SHALL, WITHIN THIRTY
7 DAYS OF ISSUING THE CERTIFICATE OF RECEIPT, PROVIDE THE DEPARTMENT WITH
8 NOTIFICATION OF THE ISSUANCE OF SUCH CERTIFICATE IN THE FORM AND MANNER
9 PRESCRIBED BY THE DEPARTMENT.

10 5. NOTIFICATION TO THE DEPARTMENT OF THE NON-ISSUANCE OF A CERTIFICATE
11 OF RECEIPT. EACH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZA-
12 TION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION THAT
13 RECEIVED NOTIFICATION FROM THE DEPARTMENT PURSUANT TO SUBDIVISION (F) OF
14 THIS SECTION REGARDING THE ISSUANCE OF A CONTRIBUTION AUTHORIZATION
15 CERTIFICATE TO A TAXPAYER SHALL, WITHIN THIRTY DAYS OF THE EXPIRATION
16 DATE FOR SUCH AUTHORIZED CONTRIBUTION, PROVIDE NOTIFICATION TO THE
17 DEPARTMENT FOR EACH TAXPAYER THAT FAILED TO MAKE THE AUTHORIZED CONTRIB-
18 UTION TO SUCH PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGANIZATION,
19 LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION IN THE
20 FORM AND MANNER PRESCRIBED BY THE DEPARTMENT.

21 6. FAILURE TO NOTIFY THE DEPARTMENT. WITHIN THIRTY DAYS OF DISCOVERY
22 OF THE FAILURE OF ANY PUBLIC EDUCATION ENTITY, SCHOOL IMPROVEMENT ORGAN-
23 IZATION, LOCAL EDUCATION FUND, OR EDUCATIONAL SCHOLARSHIP ORGANIZATION
24 TO COMPLY WITH THE NOTIFICATION REQUIREMENTS PRESCRIBED BY PARAGRAPHS
25 FOUR AND/OR FIVE OF THIS SUBDIVISION, THE COMMISSIONER SHALL ISSUE A
26 NOTICE OF COMPLIANCE FAILURE TO SUCH ENTITY, PROGRAM FUND OR ORGANIZA-
27 TION. SUCH ENTITY, PROGRAM FUND OR ORGANIZATION SHALL HAVE THIRTY DAYS
28 FROM THE DATE OF SUCH NOTICE TO MAKE THE NOTIFICATIONS PRESCRIBED BY
29 PARAGRAPHS FOUR AND/OR FIVE OF THIS SUBDIVISION. SUCH PERIOD MAY BE
30 EXTENDED FOR AN ADDITIONAL THIRTY DAYS UPON THE REQUEST OF THE ENTITY,
31 PROGRAM FUND OR ORGANIZATION. UPON THE EXPIRATION OF THE PERIOD FOR
32 COMPLIANCE SET FORTH IN THE NOTICE PRESCRIBED BY THIS PARAGRAPH, THE
33 COMMISSIONER SHALL NOTIFY THE COMMISSIONER OF EDUCATION THAT SUCH ENTI-
34 TY, PROGRAM FUND OR ORGANIZATION FAILED TO MAKE THE NOTIFICATIONS
35 PRESCRIBED BY PARAGRAPHS FOUR AND/OR FIVE OF THIS SUBDIVISION.

36 (H) CREDIT CAP. THE MAXIMUM PERMITTED CREDITS UNDER THIS SECTION
37 AVAILABLE ANNUALLY FOR CALENDAR YEAR TWO THOUSAND SEVENTEEN AND ALL
38 FOLLOWING YEARS TO ALL TAXPAYERS FOR QUALIFIED CONTRIBUTIONS TO PUBLIC
39 EDUCATION ENTITIES, SCHOOL IMPROVEMENT ORGANIZATIONS, AND LOCAL EDUCA-
40 TION FUNDS SHALL BE TWENTY MILLION DOLLARS. THE MAXIMUM PERMITTED CRED-
41 ITS UNDER THIS SECTION AVAILABLE ANNUALLY FOR CALENDAR YEAR TWO THOUSAND
42 SEVENTEEN AND ALL FOLLOWING YEARS TO ALL TAXPAYERS FOR QUALIFIED
43 CONTRIBUTIONS TO EDUCATIONAL SCHOLARSHIP ORGANIZATIONS SHALL BE FIFTY
44 MILLION DOLLARS.

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

49 (J) OTHER REQUIREMENTS; MISCELLANEOUS. RECORD KEEPING. EACH TAXPAYER
50 SHALL, FOR EACH TAXABLE YEAR FOR WHICH THE EDUCATION SCHOLARSHIP AND
51 PROGRAM TAX CREDIT PROVIDE FOR UNDER THIS SECTION IS CLAIMED, MAINTAIN
52 RECORDS OF THE FOLLOWING INFORMATION: (I) CONTRIBUTION AUTHORIZATION
53 CERTIFICATES OBTAINED PURSUANT TO SUBDIVISION (F) OF THIS SECTION, AND
54 (II) CERTIFICATES OF RECEIPT OBTAINED PURSUANT TO SUBDIVISION (G) OF
55 THIS SECTION.

1 (K) JOINT ANNUAL REPORT. ON OR BEFORE THE LAST DAY OF MAY FOR EACH
2 CALENDAR YEAR, FOR THE IMMEDIATELY PRECEDING YEAR, THE COMMISSIONER AND
3 THE COMMISSIONER OF EDUCATION SHALL JOINTLY SUBMIT A WRITTEN REPORT TO
4 THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE
5 ASSEMBLY, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN
6 OF THE ASSEMBLY WAYS AND MEANS COMMITTEE REGARDING THE CREDIT. SUCH
7 REPORT SHALL CONTAIN INFORMATION FOR ARTICLES NINE-A AND TWENTY-TWO OF
8 THIS CHAPTER, RESPECTIVELY, REGARDING: (I) THE NUMBER OF APPLICATIONS
9 RECEIVED; (II) THE NUMBER OF AND AGGREGATE VALUE OF THE CONTRIBUTION
10 AUTHORIZATION CERTIFICATES ISSUED FOR CONTRIBUTIONS TO PUBLIC EDUCATION
11 ENTITIES, SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCATION FUNDS, AND
12 EDUCATIONAL SCHOLARSHIP ORGANIZATIONS, RESPECTIVELY (III) THE GEOGRAPH-
13 ICAL DISTRIBUTION BY COUNTY, TO THE EXTENT FEASIBLE, OF (A) THE APPLICA-
14 TIONS FOR CONTRIBUTION AUTHORIZATION CERTIFICATES, AND (B) THE PUBLIC
15 EDUCATION ENTITIES, SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCATION
16 FUNDS, AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS LISTED ON THE ISSUED
17 CONTRIBUTION AUTHORIZATION CERTIFICATES; AND (IV) INFORMATION, INCLUDING
18 GEOGRAPHICAL DISTRIBUTION BY COUNTY, TO THE EXTENT FEASIBLE, OF THE
19 NUMBER OF ELIGIBLE PUPILS THAT RECEIVED SCHOLARSHIPS, THE NUMBER OF
20 QUALIFIED SCHOOLS ATTENDED BY ELIGIBLE PUPILS THAT RECEIVED SUCH SCHOL-
21 ARSHIPS, AND THE AVERAGE VALUE OF SCHOLARSHIPS RECEIVED BY SUCH ELIGIBLE
22 PUPILS. THE COMMISSIONER AND DESIGNATED EMPLOYEES OF THE DEPARTMENT AND
23 THE COMMISSIONER OF EDUCATION AND DESIGNATED EMPLOYEES OF THE DEPARTMENT
24 OF EDUCATION SHALL BE ALLOWED AND ARE DIRECTED TO SHARE AND EXCHANGE
25 INFORMATION REGARDING THE SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL EDUCA-
26 TION FUNDS AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS THAT APPLIED FOR
27 APPROVAL TO BE AUTHORIZED TO RECEIVE QUALIFIED CONTRIBUTIONS; AND THE
28 PUBLIC EDUCATION ENTITIES, SCHOOL IMPROVEMENT ORGANIZATIONS, LOCAL
29 EDUCATION FUNDS, AND EDUCATIONAL SCHOLARSHIP ORGANIZATIONS AUTHORIZED TO
30 ISSUE CERTIFICATES OF RECEIPT, INCLUDING INFORMATION CONTAINED IN OR
31 DERIVED FROM APPLICATION FORMS AND REPORTS SUBMITTED TO THE DEPARTMENT
32 OF EDUCATION OR THE COMMISSIONER OF EDUCATION.

33 (1) CROSS REFERENCES. FOR APPLICATION OF THE CREDIT PROVIDED FOR IN
34 THIS SECTION, SEE THE FOLLOWING PROVISIONS OF THIS CHAPTER:

35 1. ARTICLE 9-A: SECTION 210-B; SUBDIVISION 51; AND

36 2. ARTICLE 22: SECTION 606, SUBSECTION (CCC).

37 S 5. Paragraph (b) of subdivision 9 of section 208 of the tax law is
38 amended by adding a new subparagraph 22 to read as follows:

39 (22) THE AMOUNT OF ANY FEDERAL DEDUCTION FOR CHARITABLE CONTRIBUTIONS
40 ALLOWED UNDER SECTION ONE HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE
41 TO THE EXTENT SUCH CONTRIBUTIONS ARE USED AS THE BASIS OF THE CALCU-
42 LATION OF THE EDUCATION SCHOLARSHIP AND PROGRAM TAX CREDIT ALLOWED UNDER
43 SUBDIVISION FIFTY-ONE OF SECTION TWO HUNDRED TEN-B OF THIS ARTICLE.

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

46 51. EDUCATION SCHOLARSHIP AND PROGRAM TAX CREDIT. (A) ALLOWANCE OF
47 CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED
48 IN SECTION FORTY-TWO OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS
49 ARTICLE.

50 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION
51 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR THAT YEAR TO LESS
52 THAN THE AMOUNT PRESCRIBED IN PARAGRAPH (D) OF SUBDIVISION ONE OF
53 SECTION TWO HUNDRED TEN OF THIS ARTICLE. IF THE AMOUNT OF CREDIT ALLOW-
54 ABLE UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH
55 AMOUNT OR IF THE TAXPAYER OTHERWISE PAYS TAX ON THE FIXED DOLLAR MINIMUM
56 AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE

1 CARRIED OVER TO THE FOLLOWING YEAR OR YEARS FOR UP TO FIVE YEARS AND MAY
2 BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

3 S 7. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
4 of the tax law is amended by adding a new clause (xli) to read as
5 follows:

6 (XLI) EDUCATION SCHOLARSHIP	AMOUNT OF CREDIT UNDER
7 AND PROGRAM TAX CREDIT UNDER	SUBDIVISION FIFTY-ONE OF SECTION
8 SUBSECTION (CCC)	TWO HUNDRED TEN-B

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

11 (CCC) EDUCATION SCHOLARSHIP AND PROGRAM TAX CREDIT. ALLOWANCE OF CRED-
12 IT. A TAXPAYER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN
13 SECTION FORTY-TWO OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTI-
14 CLE. IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION FOR ANY
15 TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS
16 ALLOWED FOR A TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR
17 YEARS FOR UP TO FIVE YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX
18 FOR SUCH YEAR OR YEARS.

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

21 (9) WITH RESPECT TO A TAXPAYER WHO HAS CLAIMED THE EDUCATION SCHOLAR-
22 SHIP AND PROGRAM TAX CREDIT FOR QUALIFIED CONTRIBUTIONS PURSUANT TO
23 SUBSECTION (CCC) OF SECTION SIX HUNDRED SIX OF THIS ARTICLE, THE TAXPAY-
24 ER'S NEW YORK ITEMIZED DEDUCTION SHALL BE REDUCED BY ANY CHARITABLE
25 CONTRIBUTION DEDUCTION ALLOWED UNDER SECTION ONE HUNDRED SEVENTY OF THE
26 INTERNAL REVENUE CODE WITH RESPECT TO SUCH QUALIFIED CONTRIBUTIONS.

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

29 (V) INSTRUCTIONAL MATERIALS AND SUPPLIES CREDIT. (1) A TAXPAYER SHALL
30 BE ALLOWED A CREDIT, NOT TO EXCEED TWO HUNDRED DOLLARS, THAT IS EQUAL TO
31 THE AMOUNT PAID BY THE TAXPAYER DURING THE TAXABLE YEAR FOR INSTRU-
32 CTIONAL MATERIALS AND SUPPLIES WITH RESPECT TO CLASSROOM BASED INSTRU-
33 CTION IN A PUBLIC OR NON-PUBLIC ELEMENTARY OR SECONDARY SCHOOL IN THIS
34 STATE, INCLUDING A CHARTER SCHOOL AUTHORIZED BY ARTICLE FIFTY-SIX OF THE
35 EDUCATION LAW, PROVIDED, HOWEVER, THE TAXPAYER MUST BE A TEACHER OR
36 INSTRUCTOR AT SUCH SCHOOL FOR AT LEAST NINE HUNDRED HOURS DURING THE
37 TAXABLE YEAR. FOR PURPOSES OF THIS SUBSECTION, THE TERM "MATERIALS AND
38 SUPPLIES" MEANS INSTRUCTIONAL MATERIALS OR SUPPLIES THAT ARE DESIGNATED
39 FOR CLASSROOM USE.

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

45 (3) THE MAXIMUM AMOUNT OF CREDIT THAT SHALL BE ALLOWED ANNUALLY UNDER
46 THIS SUBSECTION SHALL BE TEN MILLION DOLLARS. IN ORDER TO CLAIM A CREDIT
47 UNDER THIS SUBSECTION, A TAXPAYER SHALL BE REQUIRED TO APPLY TO THE
48 DEPARTMENT FOR APPROVAL DURING THE TAXABLE YEAR. THE TAXPAYER SHALL BE
49 REQUIRED TO SUBMIT DOCUMENTATION DEMONSTRATING THAT THE TAXPAYER IS A
50 TEACHER OR INSTRUCTOR AS REQUIRED UNDER THIS SUBSECTION AND THAT THE
51 TAXPAYER PURCHASED MATERIALS AND SUPPLIES. THE DEPARTMENT SHALL REVIEW
52 THE APPLICATION AND PROVIDE A TAXPAYER WITH A CERTIFICATE THAT SPECIFIES
53 HOW MUCH CREDIT THE TAXPAYER IS ENTITLED TO CLAIM. IF REQUIRED BY THE
54 COMMISSIONER, THE TAXPAYER MUST SUBMIT THAT CERTIFICATE WITH HIS OR HER
55 TAX RETURN. THE COMMISSIONER SHALL ALLOCATE THE CREDITS ON A FIRST COME

FIRST SERVED BASIS AND PRESCRIBE THE NECESSARY PROCEDURES FOR REVIEWING THE APPLICATIONS AND PRODUCING THE CERTIFICATES.

S 11. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 43 to read as follows:

(43) THE AMOUNT OF ANY FEDERAL DEDUCTION FOR CERTAIN EXPENSES OF ELIGIBLE EDUCATORS PURSUANT TO SUBPARAGRAPH (D) OF PARAGRAPH TWO OF SUBSECTION (A) OF SECTION SIXTY-TWO OF THE INTERNAL REVENUE CODE TO THE EXTENT SUCH EXPENSES ARE USED AS THE BASIS OF THE CALCULATION OF THE CREDIT ALLOWED UNDER SUBSECTION (V) OF SECTION SIX HUNDRED SIX OF THIS ARTICLE.

S 12. Section 606 of the tax law is amended by adding a new subsection (w) to read as follows:

(W) FAMILY CHOICE EDUCATION CREDIT. (1) GENERAL. A RESIDENT TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN PARAGRAPH FOUR OF THIS SUBSECTION, AGAINST THE TAX IMPOSED BY THIS ARTICLE, FOR QUALIFIED PRIMARY OR SECONDARY EDUCATION TUITION EXPENSES.

(2) DEFINITIONS. FOR THE PURPOSES OF THIS CREDIT:

(A) THE TERM "ELIGIBLE STUDENT" SHALL MEAN ANY DEPENDENT OF THE TAXPAYER WITH RESPECT TO WHOM THE TAXPAYER IS ALLOWED AN EXEMPTION UNDER SECTION SIX HUNDRED SIXTEEN OF THIS ARTICLE FOR THE TAXABLE YEAR.

(B) THE TERM "QUALIFIED PRIMARY OR SECONDARY EDUCATION TUITION EXPENSES" SHALL MEAN THE TUITION REQUIRED FOR THE ENROLLMENT OR ATTENDANCE OF AN ELIGIBLE STUDENT AT A PUBLIC SCHOOL OR A NON-PUBLIC SCHOOL, AS DEFINED IN SECTION FORTY-TWO OF THIS CHAPTER. PROVIDED, HOWEVER, TUITION PAYMENTS MADE PURSUANT TO THE RECEIPT OF ANY SCHOLARSHIPS OR FINANCIAL AID SHALL BE EXCLUDED FROM THE DEFINITION OF "QUALIFIED PRIMARY OR SECONDARY EDUCATION TUITION EXPENSES".

(3) ELIGIBILITY. TO BE ELIGIBLE FOR THIS CREDIT, THE NEW YORK ADJUSTED GROSS INCOME OF THE TAXPAYER FOR THE TAXABLE YEAR, OR IN THE CASE OF A MARRIED COUPLE FILING A JOINT RETURN, THE NEW YORK ADJUSTED GROSS INCOME OF THE MARRIED COUPLE FOR THE TAXABLE YEAR, MAY NOT EXCEED SIXTY THOUSAND DOLLARS.

(4) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE EQUAL TO THE LESSER OF FIVE HUNDRED DOLLARS PER ELIGIBLE STUDENT OR THE ACTUAL AMOUNT OF QUALIFIED PRIMARY OR SECONDARY EDUCATION TUITION EXPENSES PAID BY THE TAXPAYER PER ELIGIBLE STUDENT DURING THE TAXABLE YEAR.

(5) REFUNDABILITY. 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 13. Severability. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

S 14. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2017.

PART T

Section 1. The tax law is amended by adding a new section 187-t to read as follows:

S 187-T. NEW YORK STATE THRUWAY TOLLS TAX CREDIT. (1) A TAXPAYER THAT OPERATES A MOTOR VEHICLE ON THE NEW YORK STATE THRUWAY, AND PAYS NEW

1 YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS ACCOUNT, SHALL BE ALLOWED A
2 CREDIT, AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY SECTIONS ONE
3 HUNDRED EIGHTY-THREE AND ONE HUNDRED EIGHTY-FOUR OF THIS ARTICLE FOR
4 TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN
5 BUT BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN. IN NO EVENT SHALL THE
6 CREDIT UNDER THIS SECTION BE ALLOWED IN AN AMOUNT THAT WILL REDUCE THE
7 TAX TO LESS THAN THE APPLICABLE MINIMUM TAX FIXED BY SECTION ONE HUNDRED
8 EIGHTY-THREE OF THIS ARTICLE. IF, HOWEVER, THE AMOUNT OF CREDIT ALLOWED
9 UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT,
10 ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED
11 FORWARD TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE
12 TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

13 (2) FOR PURPOSES OF THIS SECTION, THE FOLLOWING DEFINITIONS SHALL
14 APPLY:

15 (A) "MOTOR VEHICLE" MEANS A VEHICLE AS DEFINED IN SECTION ONE HUNDRED
16 TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW:

17 (B) "E-ZPASS BUSINESS ACCOUNT" MEANS A PREPAID E-ZPASS ACCOUNT ISSUED
18 BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTERPRISE'S
19 NAME.

20 (C) "E-ZPASS COMMERCIAL ACCOUNT" MEANS A POST-PAID E-ZPASS ACCOUNT
21 ISSUED BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTER-
22 PRISE'S NAME.

23 (3)(A) THE CREDIT FOR A TAXPAYER HOLDING AN E-ZPASS BUSINESS OR
24 COMMERCIAL ACCOUNT OR ACCOUNTS SHALL BE IN AN AMOUNT EQUAL TO FIFTY
25 PERCENT OF THE SUM OF ALL NEW YORK STATE THRUWAY TOLLS PAID BY THE
26 TAXPAYER THROUGH SUCH AN ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR.
27 TO QUALIFY FOR THE CREDIT, THE TAXPAYER MUST HAVE PAID ONE HUNDRED
28 DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH SUCH ACCOUNT OR
29 ACCOUNTS DURING THE TAXABLE YEAR. A TAXPAYER THAT PAYS TEN THOUSAND
30 DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS BUSI-
31 NESS OR COMMERCIAL ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR DOES NOT
32 QUALIFY FOR THE CREDIT IN ANY AMOUNT IN THAT TAXABLE YEAR.

33 (B) IF A TAXPAYER HAS MORE THAN ONE E-ZPASS TRANSPONDER ON AN ACCOUNT
34 OR HAS MORE THAN ONE ACCOUNT, ALL THE NEW YORK STATE THRUWAY TOLLS PAID
35 BY THE TAXPAYER FOR ALL E-ZPASS TRANSPONDERS AND ALL ACCOUNTS SHALL BE
36 AGGREGATED FOR PURPOSES OF APPLYING THE MINIMUM AND MAXIMUM AMOUNTS OF
37 NEW YORK STATE THRUWAY TOLLS REFERENCED IN PARAGRAPH (A) OF THIS SUBDI-
38 VISION.

39 (4) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE AMOUNT OF ANY
40 CLAIM MADE FOR A NEW YORK STATE THRUWAY TOLLS TAX CREDIT MAY BE VERIFIED
41 THROUGH E-ZPASS TOLL RECEIPT RECORDS CREATED AND MAINTAINED BY THE ENTI-
42 TY AUTHORIZED TO ISSUE THE E-ZPASS ACCOUNT AND MADE AVAILABLE TO, AND
43 UPON REQUEST BY, THE DEPARTMENT FOR THIS PURPOSE.

44 S. 2. Section 210-B of the tax law is amended by adding a new subdivi-
45 sion 49 to read as follows:

46 49. NEW YORK STATE THRUWAY TOLLS TAX CREDIT. (A) A TAXPAYER THAT OPER-
47 ATES A MOTOR VEHICLE, OR A FARM VEHICLE IN CONNECTION WITH FARM OPER-
48 ATIONS, ON THE NEW YORK STATE THRUWAY, AND PAYS NEW YORK STATE THRUWAY
49 TOLLS THROUGH AN E-ZPASS ACCOUNT, SHALL BE ALLOWED A CREDIT, AS HEREIN-
50 AFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR TAXABLE
51 YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN BUT
52 BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN. THE CREDIT ALLOWED UNDER
53 THIS SUBDIVISION FOR ANY TAXABLE YEAR MAY NOT REDUCE THE TAX DUE FOR
54 THAT YEAR TO LESS THAN THE AMOUNT PRESCRIBED IN PARAGRAPH (D) OF SUBDI-
55 VISION ONE OF SECTION TWO HUNDRED TEN OF THIS ARTICLE. HOWEVER, IF THE
56 AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR

REDUCES THE TAX TO SUCH AMOUNT, OR IF THE TAXPAYER OTHERWISE PAYS TAX BASED ON THE FIXED DOLLAR MINIMUM AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN THAT TAXABLE YEAR SHALL BE CARRIED FORWARD TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

(B) FOR PURPOSES OF THIS SUBDIVISION, THE FOLLOWING DEFINITIONS SHALL APPLY:

(1) "MOTOR VEHICLE" MEANS A VEHICLE AS DEFINED IN SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW.

(2) "FARM VEHICLE" MEANS A MOTOR VEHICLE HAVING A GROSS VEHICLE WEIGHT RATING OF NOT MORE THAN TWENTY-SIX THOUSAND POUNDS THAT IS OWNED BY A PERSON PRIMARILY ENGAGED IN PRODUCTION BY MEANS OF (I) THE PLANTING, CULTIVATION AND HARVESTING OF AGRICULTURAL, VEGETABLE AND FOOD PRODUCTS OF THE SOIL, INCLUDING HORTICULTURAL SPECIALTIES SUCH AS NURSERY STOCK, ORNAMENTAL SHRUBS, ORNAMENTAL TREES AND FLOWERS, (II) THE RAISING, FEEDING AND CARE OF LIVESTOCK, BEES, AND POULTRY, OR (III) DAIRY FARMING. SUCH FARM VEHICLE SHALL BE PRINCIPALLY USED FOR THE TRANSPORTATION OF AGRICULTURAL OR DAIRY COMMODITIES OR SUPPLIES, OR USED IN CONJUNCTION WITH LUMBERING OPERATIONS CONNECTED WITH BUT ONLY INCIDENTAL TO THE OPERATION OF A FARM.

(3) "E-ZPASS BUSINESS ACCOUNT" MEANS A PREPAID E-ZPASS ACCOUNT ISSUED BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTERPRISE'S NAME.

(4) "E-ZPASS COMMERCIAL ACCOUNT" MEANS A POST-PAID E-ZPASS ACCOUNT ISSUED BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTERPRISE'S NAME.

(C)(1) THE CREDIT FOR A TAXPAYER HOLDING AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS SHALL BE IN AN AMOUNT EQUAL TO FIFTY PERCENT OF THE SUM OF ALL NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER THROUGH SUCH AN ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. TO QUALIFY FOR THE CREDIT, THE TAXPAYER MUST HAVE PAID ONE HUNDRED DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH SUCH ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. A TAXPAYER THAT PAYS TEN THOUSAND DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR DOES NOT QUALIFY FOR THE CREDIT IN ANY AMOUNT IN THAT TAXABLE YEAR.

(2) THE CREDIT FOR A TAXPAYER OWNING AND OPERATING A FARM VEHICLE AND HOLDING AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS SHALL BE IN AN AMOUNT EQUAL TO ONE HUNDRED PERCENT OF THE SUM OF ALL NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER THROUGH SUCH AN ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR FOR THAT FARM VEHICLE, PROVIDED THE QUALIFYING NEW YORK STATE THRUWAY TOLLS WERE INCURRED IN CONNECTION WITH FARM OPERATIONS.

(3) A TAXPAYER MAY CLAIM THE CREDIT PROVIDED FOR IN SUBPARAGRAPH ONE OR TWO OF THIS PARAGRAPH IN A TAXABLE YEAR BUT MAY NOT CLAIM A CREDIT UNDER BOTH SUBPARAGRAPHS ONE AND TWO OF THIS PARAGRAPH IN THE SAME TAXABLE YEAR.

(4) IF A TAXPAYER HAS MORE THAN ONE E-ZPASS TRANSPONDER ON AN ACCOUNT OR HAS MORE THAN ONE ACCOUNT, ALL THE NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER FOR ALL E-ZPASS TRANSPONDERS AND ALL ACCOUNTS SHALL BE AGGREGATED FOR PURPOSES OF APPLYING THE MINIMUM AND MAXIMUM AMOUNTS OF NEW YORK STATE THRUWAY TOLLS REFERENCED IN SUBPARAGRAPH ONE OF THIS PARAGRAPH.

(D) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE AMOUNT OF ANY CLAIM MADE FOR A NEW YORK STATE THRUWAY TOLLS TAX CREDIT MAY BE VERIFIED THROUGH E-ZPASS TOLL RECEIPT RECORDS CREATED AND MAINTAINED BY THE ENTI-

TY AUTHORIZED TO ISSUE THE E-ZPASS ACCOUNT AND MADE AVAILABLE TO, AND UPON REQUEST BY, THE DEPARTMENT FOR THIS PURPOSE.

S 3. Section 606 of the tax law is amended by adding a new subsection (ccc) to read as follows:

(CCC) NEW YORK STATE THRUWAY TOLLS TAX CREDIT. (1) A TAXPAYER THAT OPERATES A MOTOR VEHICLE, OR A FARM VEHICLE IN CONNECTION WITH FARM OPERATIONS, ON THE NEW YORK STATE THRUWAY, AND PAYS NEW YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS ACCOUNT, SHALL BE ALLOWED A CREDIT, AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN BUT BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN. IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR EXCEEDS THE TAXPAYER'S TAX FOR SUCH YEAR, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE CARRIED FORWARD TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

(2) FOR PURPOSES OF THIS SECTION, THE FOLLOWING DEFINITIONS SHALL APPLY:

(A) "MOTOR VEHICLE" MEANS A VEHICLE AS DEFINED IN SECTION ONE HUNDRED TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW.

(B) "FARM VEHICLE" MEANS A MOTOR VEHICLE HAVING A GROSS VEHICLE WEIGHT RATING OF NOT MORE THAN TWENTY-SIX THOUSAND POUNDS THAT IS OWNED BY A PERSON PRIMARILY ENGAGED IN PRODUCTION BY MEANS OF (I) THE PLANTING, CULTIVATION AND HARVESTING OF AGRICULTURAL, VEGETABLE AND FOOD PRODUCTS OF THE SOIL, INCLUDING HORTICULTURAL SPECIALTIES SUCH AS NURSERY STOCK, ORNAMENTAL SHRUBS, ORNAMENTAL TREES AND FLOWERS, (II) THE RAISING, FEEDING AND CARE OF LIVESTOCK, BEES, AND POULTRY, OR (III) DAIRY FARMING. SUCH FARM VEHICLE SHALL BE PRINCIPALLY USED FOR THE TRANSPORTATION OF AGRICULTURAL OR DAIRY COMMODITIES OR SUPPLIES, OR USED IN CONJUNCTION WITH LUMBERING OPERATIONS CONNECTED WITH BUT ONLY INCIDENTAL TO THE OPERATION OF A FARM.

(C) "E-ZPASS INDIVIDUAL ACCOUNT" MEANS A PREPAID E-ZPASS ACCOUNT ISSUED BY AN AUTHORIZED ENTITY IN AN INDIVIDUAL'S NAME.

(D) "E-ZPASS BUSINESS ACCOUNT" MEANS A PREPAID E-ZPASS ACCOUNT ISSUED BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTERPRISE'S NAME.

(E) "E-ZPASS COMMERCIAL ACCOUNT" MEANS A POST-PAID E-ZPASS ACCOUNT ISSUED BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTERPRISE'S NAME.

(3)(A) THE CREDIT FOR A TAXPAYER HOLDING AN E-ZPASS INDIVIDUAL ACCOUNT OR ACCOUNTS SHALL BE IN AN AMOUNT EQUAL TO FIFTY PERCENT OF THE SUM OF ALL NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER THROUGH SUCH AN ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. TO QUALIFY FOR THE CREDIT, THE TAXPAYER MUST HAVE PAID AT LEAST FIFTY DOLLARS IN NEW YORK STATE THRUWAY TOLLS THROUGH SUCH ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR.

(B) THE CREDIT FOR A TAXPAYER HOLDING AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS SHALL BE IN AN AMOUNT EQUAL TO FIFTY PERCENT OF THE SUM OF ALL NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER THROUGH SUCH AN ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. TO QUALIFY FOR THE CREDIT, THE TAXPAYER MUST HAVE PAID ONE HUNDRED DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH SUCH ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. A TAXPAYER THAT PAYS TEN THOUSAND DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR DOES NOT QUALIFY FOR THE CREDIT IN ANY AMOUNT IN THAT TAXABLE YEAR.

(C) THE CREDIT FOR A TAXPAYER OWNING AND OPERATING A FARM VEHICLE AND HOLDING AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS SHALL BE

1 IN AN AMOUNT EQUAL TO ONE HUNDRED PERCENT OF THE SUM OF ALL NEW YORK
2 STATE THRUWAY TOLLS PAID BY THE TAXPAYER THROUGH SUCH AN ACCOUNT OR
3 ACCOUNTS DURING THE TAXABLE YEAR FOR THAT FARM VEHICLE, PROVIDED THE
4 QUALIFYING NEW YORK STATE THRUWAY TOLLS WERE INCURRED IN CONNECTION WITH
5 FARM OPERATIONS.

6 (D) A TAXPAYER MAY CLAIM THE CREDIT PROVIDED FOR IN SUBPARAGRAPH (A),
7 (B) OR (C) OF THIS PARAGRAPH IN A TAXABLE YEAR BUT MAY NOT CLAIM A CRED-
8 IT UNDER MORE THAN ONE SUBPARAGRAPH OF THIS PARAGRAPH IN THE SAME TAXA-
9 BLE YEAR.

10 (E) IF A TAXPAYER HAS MORE THAN ONE E-ZPASS TRANSPONDER ON AN ACCOUNT
11 OR HAS MORE THAN ONE ACCOUNT, ALL THE NEW YORK STATE THRUWAY TOLLS PAID
12 BY THE TAXPAYER FOR ALL E-ZPASS TRANSPONDERS AND ALL ACCOUNTS SHALL BE
13 AGGREGATED FOR PURPOSES OF APPLYING THE MINIMUM AND MAXIMUM AMOUNTS OF
14 NEW YORK STATE THRUWAY TOLLS REFERENCED IN SUBPARAGRAPHS (A) AND (B) OF
15 THIS PARAGRAPH.

16 (4) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE AMOUNT OF ANY
17 CLAIM MADE FOR A NEW YORK STATE THRUWAY TOLLS TAX CREDIT MAY BE VERIFIED
18 THROUGH E-ZPASS TOLL RECEIPTS RECORDS CREATED AND MAINTAINED BY THE
19 ENTITY AUTHORIZED TO ISSUE THE E-ZPASS ACCOUNT AND MADE AVAILABLE TO,
20 AND UPON REQUEST BY, THE DEPARTMENT OF TAXATION AND FINANCE FOR THIS
21 PURPOSE.

22 S 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
23 of the tax law is amended by adding a new clause (xli) to read as
24 follows:

25 (XLI) NEW YORK STATE	AMOUNT OF CREDIT UNDER
26 THRUWAY TOLLS TAX CREDIT	SUBDIVISION FORTY-NINE OF
27 UNDER SUBSECTION (CCC)	SECTION TWO HUNDRED TEN-B

28 S 5. Section 1511 of the tax law is amended by adding a new subdivi-
29 sion (dd) to read as follows:

30 (DD) NEW YORK STATE THRUWAY TOLLS TAX CREDIT. (1) A TAXPAYER THAT
31 OPERATES A MOTOR VEHICLE ON THE NEW YORK STATE THRUWAY, AND PAYS NEW
32 YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS ACCOUNT, SHALL BE ALLOWED A
33 CREDIT, AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE
34 FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND
35 SIXTEEN BUT BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN. THE CREDIT
36 ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR MAY NOT REDUCE THE
37 TAX DUE FOR THAT YEAR TO LESS THAN THE AMOUNT PRESCRIBED IN PARAGRAPH
38 FOUR OF SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE,
39 OR TWO HUNDRED FIFTY DOLLARS IF SECTION FIFTEEN HUNDRED TWO-A OF THIS
40 ARTICLE IS APPLICABLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER
41 THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT,
42 ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN THAT TAXABLE YEAR SHALL BE
43 CARRIED FORWARD TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM
44 THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

45 (2) FOR PURPOSES OF THIS SECTION, THE FOLLOWING DEFINITIONS SHALL
46 APPLY.

47 (A) "MOTOR VEHICLE" MEANS A VEHICLE AS DEFINED IN SECTION ONE HUNDRED
48 TWENTY-FIVE OF THE VEHICLE AND TRAFFIC LAW.

49 (B) "E-ZPASS BUSINESS ACCOUNT" MEANS A PREPAID E-ZPASS ACCOUNT ISSUED
50 BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTERPRISE'S
51 NAME.

52 (C) "E-ZPASS COMMERCIAL ACCOUNT" MEANS A POST-PAID E-ZPASS ACCOUNT
53 ISSUED BY AN AUTHORIZED ENTITY IN A CORPORATION'S OR COMMERCIAL ENTER-
54 PRISE'S NAME.

55 (3) (A) THE CREDIT FOR A TAXPAYER HOLDING AN E-ZPASS BUSINESS OR
56 COMMERCIAL ACCOUNT OR ACCOUNTS SHALL BE IN AN AMOUNT EQUAL TO FIFTY

PERCENT OF THE SUM OF ALL NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER THROUGH SUCH AN ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. TO QUALIFY FOR THE CREDIT, THE TAXPAYER MUST HAVE PAID ONE HUNDRED DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH SUCH ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR. A TAXPAYER THAT PAYS TEN THOUSAND DOLLARS OR MORE IN NEW YORK STATE THRUWAY TOLLS THROUGH AN E-ZPASS BUSINESS OR COMMERCIAL ACCOUNT OR ACCOUNTS DURING THE TAXABLE YEAR DOES NOT QUALIFY FOR THE CREDIT IN ANY AMOUNT IN THAT TAXABLE YEAR.

(B) IF A TAXPAYER HAS MORE THAN ONE E-ZPASS TRANSPONDER ON AN ACCOUNT OR HAS MORE THAN ONE ACCOUNT, ALL THE NEW YORK STATE THRUWAY TOLLS PAID BY THE TAXPAYER FOR ALL E-ZPASS TRANSPONDERS AND ALL ACCOUNTS SHALL BE AGGREGATED FOR PURPOSES OF APPLYING THE MINIMUM AND MAXIMUM AMOUNTS OF NEW YORK STATE THRUWAY TOLLS REFERENCED IN SUBPARAGRAPH (A) OF THIS PARAGRAPH.

(4) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE AMOUNT OF ANY CLAIM MADE FOR A NEW YORK STATE THRUWAY TOLLS TAX CREDIT MAY BE VERIFIED THROUGH E-ZPASS TOLL RECEIPT RECORDS CREATED AND MAINTAINED BY THE ENTITY AUTHORIZED TO ISSUE THE E-ZPASS ACCOUNT AND MADE AVAILABLE TO, AND UPON REQUEST BY, THE DEPARTMENT FOR THIS PURPOSE.

S 6. Paragraph (b) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 22 to read as follows:

(22) THE AMOUNT OF ANY NEW YORK STATE THRUWAY TOLLS USED IN THE CALCULATION OF ANY CREDIT ALLOWED UNDER SUBDIVISION FORTY-NINE OF SECTION TWO HUNDRED TEN-B OF THIS ARTICLE.

S 7. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 43 to read as follows:

(43) THE AMOUNT OF ANY NEW YORK STATE THRUWAY TOLLS USED IN THE CALCULATION OF ANY CREDIT ALLOWED UNDER SUBSECTION (CCC) OF SECTION SIX HUNDRED SIX OF THIS ARTICLE.

S 8. Paragraph 2 of subdivision (b) of section 1503 of the tax law is amended by adding a new subparagraph (W) to read as follows:

(W) THE AMOUNT OF ANY NEW YORK STATE THRUWAY TOLLS USED IN THE CALCULATION OF ANY CREDIT ALLOWED UNDER SUBDIVISION (DD) OF SECTION FIFTEEN HUNDRED ELEVEN OF THIS ARTICLE.

S 9. This act shall take effect immediately.

PART U

Section 1. Section 19 of Part W-1 of chapter 109 of the laws of 2006 amending the tax law and other laws relating to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels, as amended by section 1 of part V of chapter 59 of the laws of 2014, 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, [2016] 2021 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

16 sixteen of this act shall take effect immediately and shall apply to
17 taxable years beginning on or after January 1, 2006.

18 S 2. This act shall take effect immediately.

19 PART V

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

23 S 37. [Beer] ALCOHOLIC BEVERAGE production credit. (a) General. A
24 taxpayer subject to tax under article nine-A or twenty-two of this chap-
25 ter, that is registered as a distributor under article eighteen of this
26 chapter, and that produces sixty million or fewer gallons of beer OR
27 CIDER, TWENTY MILLION OR FEWER GALLONS OF WINE, OR EIGHT HUNDRED THOU-
28 SAND OR FEWER GALLONS OF LIQUOR in this state in the taxable year, shall
29 be allowed a credit against such taxes in the amount specified in subdi-
30 vision (b) of this section and pursuant to the provisions referenced in
31 subdivision (c) of this section. Provided, however, that no credit shall
32 be allowed for any beer, CIDER, WINE OR LIQUOR produced in excess of
33 fifteen million five hundred thousand gallons in the taxable year. If
34 the taxpayer is a partner in a partnership or shareholder of a New York
35 S corporation, then the cap imposed by the preceding sentence shall be
36 applied at the entity level, so that the aggregate credit allowed to all
37 the partners or shareholders of each such entity in the taxable year
38 does not exceed that cap.

39 (b) The amount of the credit per taxpayer per taxable year (or pro
40 rata share of earned credit in the case of a partnership) for each
41 gallon of beer, CIDER, WINE OR LIQUOR produced in this state [on or
42 after April first, two thousand twelve] shall be determined as follows:

43 (1) for the first five hundred thousand gallons of beer, CIDER, WINE
44 OR LIQUOR produced in this state in the taxable year, the credit shall
45 equal fourteen cents per gallon; and

46 (2) for each gallon of beer, CIDER, WINE OR LIQUOR produced in this
47 state in the taxable year in excess of five hundred thousand gallons,
48 the credit shall equal four and one-half cents per gallon.

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

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

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

53 S 2. Subdivision 39 of section 210-B of the tax law, as added by
54 section 17 of part A of chapter 59 of the laws of 2014, is amended to
55 read as follows:

56 39. [Beer] ALCOHOLIC BEVERAGE production credit. A taxpayer shall be
57 allowed a credit, to be computed as provided in section thirty-seven of
58 this chapter, against the tax imposed by this article. In no event shall
59 the credit allowed under this subdivision for any taxable year reduce
60 the tax due for such year to less than the amount prescribed in para-
61 graph (d) of subdivision one of section two hundred ten of this article.
62 However, if the amount of credit allowed under this subdivision for any
63 taxable year reduces the tax to such amount or if the taxpayer otherwise
64 pays tax based on the fixed dollar minimum amount, any amount of credit
65 thus not deductible in such taxable year shall be treated as an overpay-
66 ment of tax to be credited or refunded in accordance with the provisions
67 of section one thousand eighty-six of this chapter. Provided, however,
68 the provisions of subsection (c) of section one thousand eighty-eight of
69 this chapter notwithstanding, no interest shall be paid thereon.

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

3 3. "Alcoholic beverages" mean and include CIDERS, AS DEFINED BY THE
4 ALCOHOLIC BEVERAGE CONTROL LAW, beers, wines or liquors.

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

7 6. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, THERE SHALL BE
8 EXEMPT FROM THE TAXES IMPOSED UNDER THIS ARTICLE, ALCOHOLIC BEVERAGES
9 FURNISHED BY A LICENSED PRODUCER OF ALCOHOLIC BEVERAGES AT NO CHARGE TO
10 A CUSTOMER OR PROSPECTIVE CUSTOMER AT A TASTING HELD IN ACCORDANCE WITH
11 THE ALCOHOLIC BEVERAGE CONTROL LAW FOR CONSUMPTION AT SUCH TASTING.

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

15 (xxxiv) [Beer] ALCOHOLIC BEVERAGE Amount of credit
16 production credit under under subdivision thirty-nine of
17 subsection (uu) section two hundred ten-B

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

20 (uu) [Beer] ALCOHOLIC BEVERAGE production credit. A taxpayer shall be
21 allowed a credit, to be computed as provided in section thirty-seven of
22 this chapter, against the tax imposed by this article. If the amount of
23 the credit allowed under this subsection for any taxable year shall
24 exceed the taxpayer's tax for such year, the excess shall be treated as
25 an overpayment of tax to be credited or refunded in accordance with the
26 provisions of section six hundred eighty-six of this article, provided,
27 however, that no interest shall be paid thereon.

28 S 7. Subdivision 13 of section 1118 of the tax law, as added by
29 section 2 of part U of chapter 59 of the laws of 2015, is amended to
30 read as follows:

31 (13) In respect to the use of the following items at a tasting held by
32 a licensed [brewery, farm brewery, cider producer, farm cidery, distil-
33 lery or farm distillery] PRODUCER OF ALCOHOLIC BEVERAGES in accordance
34 with the alcoholic beverage control law: (i) the alcoholic beverage or
35 beverages authorized by the alcoholic beverage control law to be
36 furnished at no charge to a customer or prospective customer at such
37 tasting for consumption at such tasting; and (ii) bottles, corks, caps
38 and labels used to package such alcoholic beverages.

39 S 8. This act shall take effect immediately, provided, however, that:
40 sections one, two, five and six of this act shall apply to taxable years
41 beginning on or after January 1, 2016; sections three and four of this
42 act shall apply to taxable periods beginning on or after April 1, 2016;
43 and section seven of this act shall apply to uses occurring on and after
44 June 1, 2016.

45 PART W

46 Section 1. The tax law is amended by adding a new section 478-a to
47 read as follows:

48 S 478-A. JEOPARDY ASSESSMENTS. IF THE COMMISSIONER BELIEVES THAT THE
49 COLLECTION OF ANY TAX WILL BE JEOPARDIZED BY DELAY, HE OR SHE MAY DETER-
50 MINE THE AMOUNT OF SUCH TAX AND ASSESS THE SAME, TOGETHER WITH ALL
51 INTEREST AND PENALTIES PROVIDED BY LAW, AGAINST ANY PERSON LIABLE THERE-
52 FOR PRIOR TO THE FILING OF HIS OR HER RETURN AND PRIOR TO THE DATE WHEN
53 HIS OR HER RETURN IS REQUIRED TO BE FILED. THE AMOUNT SO DETERMINED
54 SHALL BECOME DUE AND PAYABLE TO THE COMMISSIONER BY THE PERSON AGAINST

WHOM SUCH A JEOPARDY ASSESSMENT IS MADE, AS SOON AS NOTICE THEREOF IS GIVEN TO HIM OR HER. THE PROVISIONS OF SECTION FOUR HUNDRED SEVENTY-EIGHT OF THIS ARTICLE SHALL APPLY TO ANY SUCH DETERMINATION EXCEPT TO THE EXTENT THAT THEY MAY BE INCONSISTENT WITH THE PROVISIONS OF THIS SECTION. THE COMMISSIONER MAY ABATE ANY JEOPARDY ASSESSMENT IF HE OR SHE FINDS THAT JEOPARDY DOES NOT EXIST. THE COLLECTION OF ANY JEOPARDY ASSESSMENT MAY BE STAYED BY FILING WITH THE COMMISSIONER A BOND ISSUED BY A SURETY COMPANY AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE AND APPROVED BY THE SUPERINTENDENT OF FINANCIAL SERVICES AS TO SOLVENCY AND RESPONSIBILITY, OR SUCH OTHER SECURITY ACCEPTABLE TO THE COMMISSIONER, CONDITIONED UPON PAYMENT OF THE AMOUNT ASSESSED AND INTEREST THEREON, OR ANY LESSER AMOUNT TO WHICH SUCH ASSESSMENT MAY BE REDUCED BY THE ADMINISTRATIVE LAW JUDGE OR THE TAX APPEALS TRIBUNAL OR BY A PROCEEDING UNDER ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES AS PROVIDED IN SECTION FOUR HUNDRED SEVENTY-EIGHT OF THIS ARTICLE, SUCH PAYMENT TO BE MADE WHEN THE ASSESSMENT OR ANY SUCH REDUCTION THEREOF BECOMES FINAL AND NOT SUBJECT TO FURTHER REVIEW. IF SUCH A BOND IS FILED AND THEREAFTER A PROCEEDING UNDER ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES IS COMMENCED AS PROVIDED IN SECTION FOUR HUNDRED SEVENTY-EIGHT OF THIS ARTICLE, DEPOSIT OF THE TAXES, PENALTIES AND INTEREST ASSESSED SHALL NOT BE REQUIRED AS A CONDITION PRECEDENT TO THE COMMENCEMENT OF SUCH PROCEEDING. WHERE A JEOPARDY ASSESSMENT IS MADE, ANY PROPERTY SEIZED FOR THE COLLECTION OF THE TAX SHALL NOT BE SOLD: (1) UNTIL EXPIRATION OF THE TIME TO APPLY FOR A HEARING AS PROVIDED IN SECTION FOUR HUNDRED SEVENTY-EIGHT OF THIS ARTICLE, AND (2) IF SUCH APPLICATION IS TIMELY FILED, UNTIL THE EXPIRATION OF THE TIME TO FILE AN EXCEPTION TO THE DETERMINATION OF THE ADMINISTRATIVE LAW JUDGE OR, IF AN EXCEPTION IS TIMELY FILED, UNTIL FOUR MONTHS AFTER THE TAX APPEALS TRIBUNAL HAS GIVEN NOTICE OF ITS DECISION TO THE PERSON AGAINST WHOM THE ASSESSMENT IS MADE; PROVIDED, HOWEVER, SUCH PROPERTY MAY BE SOLD AT ANY TIME IF SUCH PERSON HAS FAILED TO ATTEND A HEARING OF WHICH HE OR SHE HAS BEEN DULY NOTIFIED, OR IF HE OR SHE CONSENTS TO THE SALE, OR IF THE COMMISSIONER DETERMINES THAT THE EXPENSES OF CONSERVATION AND MAINTENANCE WILL GREATLY REDUCE THE NET PROCEEDS, OR IF THE PROPERTY IS PERISHABLE.

S 2. This act shall take effect immediately.

PART X

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

(2) 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, AND THE RENT PAID FOR SUCH OCCUPANCY DOES NOT QUALIFY FOR THE EXEMPTION IN SUBDIVISION (KK) OF SECTION ELEVEN HUNDRED FIFTEEN OF 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.

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

3 (KK) RENT PAID BY A ROOM REMARKETER TO AN OPERATOR THAT IS NOT A ROOM
4 REMARKETER FOR AN OCCUPANCY THAT THE ROOM REMARKETER INTENDS TO PROVIDE
5 TO AN OCCUPANT FOR RENT SHALL BE EXEMPT FROM THE HOTEL UNIT FEE IMPOSED
6 BY SECTION ELEVEN HUNDRED FOUR OF THIS ARTICLE AND THE TAX IMPOSED BY
7 SUBDIVISION (E) OF SECTION ELEVEN HUNDRED FIVE OF THIS ARTICLE, PROVIDED
8 THAT SUCH ROOM REMARKETER FURNISHES SUCH OPERATOR A CERTIFICATE IN SUCH
9 FORM AND CONTAINING SUCH INFORMATION AS MAY BE PRESCRIBED BY THE COMMIS-
10 SIONER. THE EXEMPTION CERTIFICATE PROVIDED FOR BY THIS SUBDIVISION SHALL
11 BE ADMINISTERED BY THE COMMISSIONER IN CONFORMITY WITH THE RULES FOR
12 EXEMPTION OR RESALE CERTIFICATES IN SUBPARAGRAPH (I) OF PARAGRAPH ONE OF
13 SUBDIVISION (C) OF SECTION ELEVEN HUNDRED THIRTY-TWO OF THIS ARTICLE.

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

17 (4) (i) When occupancy is provided, for a single consideration, with
18 property, services, amusement charges, or any other items, the separate
19 sale of which is not subject to tax under this chapter, AND THE RENT
20 PAID FOR SUCH OCCUPANCY DOES NOT QUALIFY FOR THE EXEMPTION IN SUBDIVI-
21 SION 1 OF THIS SECTION, the entire consideration shall be treated as
22 rent subject to tax under paragraph one of this subdivision; provided,
23 however, that where the amount of the rent for occupancy is stated sepa-
24 rately from the price of such property, services, amusement charges or
25 other items on any sales slip, invoice, receipt, or other statement
26 given the occupant and such rent is reasonable in relation to the value
27 of such property, services, amusement charges, or other items, only such
28 separately stated rent will be subject to tax under this subdivision.

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

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

46 1. AN OCCUPANCY THAT AN OPERATOR CONVEYS OR FURNISHES TO A ROOM
47 REMARKETER THAT THE ROOM REMARKETER INTENDS TO CONVEY OR FURNISH,
48 DIRECTLY OR INDIRECTLY, TO AN OCCUPANT FOR RENT SHALL BE EXEMPT FROM THE
49 TAXES IMPOSED BY THIS SECTION, PROVIDED THAT SUCH ROOM REMARKETER
50 FURNISHES THE OPERATOR WITH A CERTIFICATE IN SUCH FORM AND CONTAINING
51 SUCH INFORMATION AS MAY BE PRESCRIBED BY THE COMMISSIONER OF FINANCE.
52 THE OPERATOR SHALL RETAIN SUCH STATEMENT AND PROVIDE IT TO THE COMMIS-
53 SIONER OF FINANCE UPON REQUEST.

54 S 5. This act shall take effect immediately and apply to rent paid for
55 occupancies on or after June 1, 2016.

1

PART Y

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

4 [Definitions] GENERAL PROVISIONS AND DEFINITIONS.

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

7 (F) TAX TREATMENT OF CHARITABLE CONTRIBUTIONS FOR DETERMINING DOMI-
8 CILE. NOTWITHSTANDING ANY OTHER PROVISION OF ANY OTHER LAW TO THE
9 CONTRARY, THE MAKING OF A FINANCIAL CONTRIBUTION, GIFT, BEQUEST,
10 DONATION OR ANY OTHER FINANCIAL INSTRUMENT OR PLEDGE IN ANY AMOUNT OR
11 THE DONATION OR LOAN OF ANY OBJECT OF ANY VALUE, OR THE VOLUNTEERING,
12 GIVING OR DONATION OF UNCOMPENSATED TIME, OR ANY COMBINATION OF THE
13 FOREGOING, CONSIDERED A CHARITABLE CONTRIBUTION UNDER SUBSECTION (C) OF
14 SECTION ONE HUNDRED SEVENTY OF THE INTERNAL REVENUE CODE, OR TO A
15 NOT-FOR-PROFIT ORGANIZATION, AS DEFINED IN SUBDIVISION SEVEN OF SECTION
16 ONE HUNDRED SEVENTY-NINE-Q OF THE STATE FINANCE LAW, SHALL NOT BE USED
17 IN ANY MANNER TO DETERMINE WHERE AN INDIVIDUAL IS DOMICILED AT THE TIME
18 OF HIS OR HER DEATH.

19 S 3. This act shall take effect immediately.

20

PART Z

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

24 2. The dedicated highway and bridge trust fund shall consist of [two]
25 THREE accounts: (a) the special obligation reserve and payment account;
26 [and] (b) the highway and bridge capital account; AND (C) THE AVIATION
27 PURPOSE ACCOUNT. Moneys in each account shall be kept separate and not
28 commingled with any other moneys in the custody of the comptroller.

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

31 4-A. (A) THE AVIATION PURPOSE ACCOUNT SHALL CONSIST OF ALL MONEYS
32 REQUIRED TO BE DEPOSITED BY SECTION THREE HUNDRED TWELVE OF THE TAX LAW
33 AND ANY OTHER MONEYS CREDITED OR TRANSFERRED THERETO FROM ANY OTHER
34 FUND, ACCOUNT OR SOURCE.

35 (B) MONEYS IN THE AVIATION PURPOSE ACCOUNT SHALL BE UTILIZED FOR
36 AIRPORTS AND AVIATION FACILITIES AND EQUIPMENT AND RELATED PROJECTS,
37 INCLUDING BUT NOT LIMITED TO THE ACQUISITION OF REAL OR TANGIBLE
38 PERSONAL PROPERTY, CONSTRUCTION, RECONSTRUCTION, RECONDITIONING, PRESER-
39 VATION, MAINTENANCE OR IMPROVEMENT OF AIRPORT OR AVIATION CAPITAL FACIL-
40 ITIES AND NOISE MITIGATION PROJECTS, AND ANY OTHER PURPOSE NOT PROHIBIT-
41 ED BY FEDERAL LAW.

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

44 S 312. Deposit and disposition of revenue.-- (a) Except as otherwise
45 provided, of all taxes, interest and penalties collected or received on
46 or after April first, two thousand one, from the taxes imposed by
47 [sections] SECTION three hundred one-a [and three hundred one-e] of this
48 article, (i) initially eighty and three-tenths percent shall be deposit-
49 ed, as prescribed by subdivision (d) of section three hundred one-j of
50 this article and (ii) nineteen and seven-tenths percent shall be depos-
51 ited in such mass transportation operating assistance fund to the credit
52 of the metropolitan mass transportation operating assistance account and
53 the public transportation systems operating assistance account thereof

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

41 Prior to making deposits as provided in this section, the comptroller
42 shall retain such amount as the commissioner may determine to be neces-
43 sary, subject to the approval of the director of the budget, for reason-
44 able costs of the department in administering and collecting the taxes
45 deposited pursuant to this section and for refunds and reimbursements
46 with respect to such taxes, out of which the comptroller shall pay any
47 refunds or reimbursements of such taxes to which taxpayers shall be
48 entitled.

49 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL TAXES, INTEREST,
50 AND PENALTIES COLLECTED OR RECEIVED ON OR AFTER DECEMBER FIRST, TWO
51 THOUSAND SEVENTEEN FROM THE TAXES IMPOSED BY SECTION THREE HUNDRED ONE-E
52 OF THIS ARTICLE SHALL BE DEPOSITED IN THE AVIATION PURPOSE ACCOUNT OF
53 THE DEDICATED HIGHWAY AND BRIDGE TRUST FUND ESTABLISHED BY SECTION
54 EIGHTY-NINE-B OF THE STATE FINANCE LAW.

1 S 4. Paragraph 1 of subdivision (a) of section 1102 of the tax law, as
2 amended by chapter 261 of the laws of 1988, is amended to read as
3 follows:

4 (1) Every distributor of motor fuel shall pay, as a prepayment on
5 account of the taxes imposed by this article and pursuant to the author-
6 ity of article twenty-nine of this chapter, a tax on each gallon of
7 motor fuel (i) which he imports or causes to be imported into this state
8 for use, distribution, storage or sale in the state or produces,
9 refines, manufactures or compounds in this state or (ii) if the tax has
10 not been imposed prior to its sale in this state, which he sells (which
11 acts shall in regard to motor fuel hereinafter in this article be encom-
12 passed by the phrase "imported, manufactured or sold"), except when
13 imported, manufactured or sold under circumstances which preclude the
14 collection of such tax by reason of the United States constitution and
15 of the laws of the United States enacted pursuant thereto or when
16 imported or manufactured by an organization described in paragraph one
17 or two of subdivision (a) of section eleven hundred sixteen of this
18 article or a hospital included in the organizations described in para-
19 graph four of such subdivision for its own use and consumption and
20 except kero-jet fuel when imported by an airline for use in its
21 airplanes, AND EXCEPT AVIATION GASOLINE SOLD FOR USE IN COMMERCIAL
22 AIRCRAFT AND GENERAL AVIATION AIRCRAFT.

23 S 5. Subparagraph (i) of paragraph 1 of subdivision (a) of section
24 1210 of the tax law, as amended by section 3 of part Z of chapter 59 of
25 the laws of 2015, is amended to read as follows:

26 (i) Any local law, ordinance or resolution enacted by any city of less
27 than one million or by any county or school district, imposing the taxes
28 authorized by this subdivision, shall, notwithstanding any provision of
29 law to the contrary, exclude from the operation of such local taxes all
30 sales of tangible personal property for use or consumption directly and
31 predominantly in the production of tangible personal property, gas,
32 electricity, refrigeration or steam, for sale, by manufacturing, proc-
33 essing, generating, assembly, refining, mining or extracting; and all
34 sales of tangible personal property for use or consumption predominantly
35 either in the production of tangible personal property, for sale, by
36 farming or in a commercial horse boarding operation, or in both; AND ALL
37 SALES OF FUEL SOLD FOR USE IN COMMERCIAL AIRCRAFT AND GENERAL AVIATION
38 AIRCRAFT; and, unless such city, county or school district elects other-
39 wise, shall omit the provision for credit or refund contained in clause
40 six of subdivision (a) or subdivision (d) of section eleven hundred
41 nineteen of this chapter.

42 S 6. Subparagraphs (xii) and (xiii) of paragraph 4 of subdivision (a)
43 of section 1210 of tax law, as amended by section 3 of part Z of chapter
44 59 of the laws of 2015, are amended and a new subparagraph (xiv) is
45 added to read as follows:

46 (xii) shall omit, unless such city elects otherwise, the exemption for
47 residential solar energy systems equipment and electricity provided in
48 subdivision (ee) of section eleven hundred fifteen of this chapter;
49 [and] (xiii) shall omit, unless such city elects otherwise, the
50 exemption for commercial solar energy systems equipment and electricity
51 provided in subdivision (ii) of section eleven hundred fifteen of this
52 chapter; AND (XIV) SHALL EXCLUDE FROM THE OPERATION OF SUCH LOCAL TAXES
53 ALL SALES OF FUEL SOLD FOR USE IN COMMERCIAL AIRCRAFT AND GENERAL
54 AVIATION AIRCRAFT. Any reference in this chapter or in any local law,
55 ordinance or resolution enacted pursuant to the authority of this arti-
56 cle to former subdivisions (n) or (p) of this section shall be deemed to

be a reference to clauses (xii) or (xiii) of this paragraph, respectively, and any such local law, ordinance or resolution that provides the exemptions provided in such former subdivisions (n) and/or (p) shall be deemed instead to provide the exemptions provided in clauses (xii) and/or (xiii) of this paragraph.

S 7. Notwithstanding any law to the contrary, the comptroller is hereby authorized and directed to transfer from the general fund for deposit into the mass transportation operating assistance fund, pursuant to section 88-a of the state finance law and the dedicated mass transportation trust fund, pursuant to section 89-c of the state finance law, upon request of the director of the budget, on or before March 31 of each year, an amount equal to the amount of revenue received by the commissioner of taxation and finance during the state fiscal year from petroleum business taxes imposed pursuant to the authority of section 301-e of the tax law that would have otherwise been directed to such funds pursuant to section 312 of the tax law as such section was in effect on the day before this act became a law.

S 8. Sections one, two and seven of this act shall take effect April 1, 2017; provided however that sections three, four, five and six of this act shall take effect December 1, 2017; and provided further that if section 19 of part W1 of chapter 109 of the laws of 2006 shall have not expired on or before such date then section four of this act shall take effect on the same date and in the same manner as such chapter of the laws of 2006 takes effect.

PART AA

Section 1. Subdivision 2 of section 228 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 18 of the laws of 2008, the opening paragraph as amended by chapter 236 of the laws of 2015, is amended to read as follows:

2. The New York state gaming commission shall, as a condition of racing, require any franchised corporation and every other corporation subject to its jurisdiction to withhold one percent of all purses, except that for the franchised corporation, starting on September first, two thousand seven and continuing through August thirty-first, two thousand sixteen, two percent of all purses shall be withheld, and, in the case of the franchised corporation, to pay such sum to the horsemen's organization or its successor that was first entitled to receive payments pursuant to this section in accordance with rules of the commission adopted effective November third, nineteen hundred eighty-three representing at least fifty-one percent of the owners and trainers [utilizing] USING the facilities of such franchised corporation, on the condition that such horsemen's organization shall expend [as much as is necessary, but not to exceed] one-half of one percent of such total sum[,] TO CONDUCT EQUINE DRUG TESTING RESEARCH AND to acquire and maintain the equipment required to [establish a program at a state college within this state with an approved equine science program to] test for the presence of DRUGS, INCLUDING BUT NOT LIMITED TO steroids, in horses AT A SUITABLE LABORATORY, AS THE GAMING COMMISSION MAY DETERMINE IN ITS DISCRETION, provided further that the qualified organization shall also, in an amount to be determined by its board of directors, annually include in its expenditures for benevolence programs, funds to support an organization providing services necessary to backstretch employees, and, in the case of every other corporation, to pay such one percent sum of purses to the horsemen's organization or its successor that was first

entitled to receive payments pursuant to this section in accordance with rules of the commission adopted effective May twenty-third, nineteen hundred eighty-six representing at least fifty-one percent of the owners and trainers [utilizing] USING the facilities of such corporation.

In either case, any other horsemen's organization may apply to the [board] COMMISSION to be approved as the qualified organization to receive payment of the one percent of all purses by submitting to the [board] COMMISSION proof of both, that (i) it represents more than fifty-one percent of all the owners and trainers [utilizing] USING the same facilities and (ii) the horsemen's organization previously approved as qualified by the [board] COMMISSION does not represent fifty-one percent of all the owners and trainers [utilizing] USING the same facilities. If the [board] COMMISSION is satisfied that the documentation submitted with the application of any other horsemen's organization is conclusive with respect to items (i) and (ii) of this paragraph, it may approve the applicant as the qualified recipient organization.

In the best interests of racing, upon receipt of such an application, the [board] COMMISSION may direct the payments to the previously qualified horsemen's organization to continue uninterrupted, or it may direct the payments to be withheld and placed in interest-bearing accounts for a period not to exceed ninety days, during which time the [board] COMMISSION shall review and approve or disapprove the application. Funds held in such manner shall be paid to the organization approved by the [board] COMMISSION. In no event shall the [board] COMMISSION accept more than one such application in any calendar year from the same horsemen's organization.

The funds authorized to be paid by the [board] COMMISSION are to be used exclusively for the benefit of those horsemen racing in New York state through the administrative purposes of such qualified organization, benevolent activities on behalf of backstretch employees, and for the promotion of equine research.

S 2. Section 902 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 60 of the laws of 1993, subdivision 1 as amended by chapter 15 of the laws of 2010, and subdivision 2 as amended by chapter 18 of the laws of 2008, is amended to read as follows:

S 902. Equine drug testing and expenses. 1. In order to assure the public's confidence and continue the high degree of integrity in racing at the pari-mutuel betting tracks, equine drug testing at race meetings shall be conducted by a [state college within this state with an approved equine science program] SUITABLE LABORATORY, AS THE GAMING COMMISSION MAY DETERMINE IN ITS DISCRETION. The [state racing and wagering board] GAMING COMMISSION shall promulgate any rules and regulations necessary to implement the provisions of this section, including administrative penalties of loss of purse money, fines, or denial, suspension[,] or revocation of a license for racing drugged horses.

2. Notwithstanding any inconsistent provision of law, all costs and expenses of the [state racing and wagering board] GAMING COMMISSION for equine drug testing and research shall be paid from an appropriation from the state treasury, on the certification of the [chairman] CHAIR of the [state racing and wagering board] GAMING COMMISSION, upon the audit and warrant of the comptroller and pursuant to a plan developed by the [state racing and wagering board] GAMING COMMISSION as approved by the director of the budget.

S 3. This act shall take effect immediately; provided, however, section two of this act shall take effect upon expiration of an existing contract with a New York state college within the state with an approved

equine science program, pursuant to section 902 of the racing, pari-mutuel wagering and breeding law; provided that the gaming commission shall notify the legislative bill drafting commission upon the occurrence of the enactment of the legislation provided for in section two of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law.

PART BB

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

1. Every corporation authorized under this chapter to conduct pari-mutuel betting at a race meeting on races run thereat, except as provided in section two hundred thirty-eight of this article with respect to the franchised corporation, shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, providing such tickets be presented for payment before April first of the year following the year of their purchase, less an amount [which] THAT shall be established and retained by such racing corporation of between fourteen to twenty [per centum] PERCENT of the total deposits in pools resulting from regular on-track bets and less sixteen to twenty-two [per centum] PERCENT of the total deposits in pools resulting from multiple on-track bets and less twenty to thirty [per centum] PERCENT of the total deposits in pools resulting from exotic on-track bets and less twenty to thirty-six [per centum] PERCENT of the total pools resulting from super exotic on-track bets, plus the breaks. The retention rate to be established is subject to the prior approval of the [racing and wagering board] GAMING COMMISSION. 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 and breaks are hereby defined as [the odd cents over any multiple of ten, or for exotic bets over any multiple of fifty, or for super exotic bets, over any multiple of one hundred, calculated on the basis of one dollar, otherwise payable to a patron provided, however, that effective after October fifteenth, nineteen hundred ninety-four 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. "Super exotic bets" shall have the meaning set forth in section three hundred one of this chapter. Of the amount so retained there shall be paid by such corporation to the department 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 meeting held by such corporation, which tax is hereby levied, the following percentages of the total pool, plus fifty-five [per centum] PERCENT of the breaks; the applicable rates for regular and multiple bets shall be one and one-half [per centum] PERCENT; the applicable rates for exotic bets shall be six and three-quarter [per centum] PERCENT and the applicable rate for super exotic bets shall be seven and three-quarter [per centum] PERCENT. Effective on and after

1 September first, nineteen hundred ninety-four, the applicable tax rate
2 shall be one [per centum] PERCENT of all wagers, provided that, an
3 amount equal to one-half the difference between the taxation rate for
4 on-track regular, multiple and exotic bets as of December thirty-first,
5 nineteen hundred ninety-three and the rates on such on-track wagers as
6 herein provided shall be used exclusively for purses. Provided, however,
7 that for any twelve-month period beginning on April first in nineteen
8 hundred ninety and any year thereafter, each of the applicable rates set
9 forth above shall be increased by one-quarter of one [per centum]
10 PERCENT on all on-track bets of any such racing corporation that did not
11 expend an amount equal to at least one-half of one [per centum] PERCENT
12 of its on-track bets during the immediately preceding calendar year for
13 enhancements consisting of capital improvements as defined by section
14 two hundred thirty-seven of this article, repairs to its physical plant,
15 structures, and equipment used in its racing or wagering operations as
16 certified by the [state racing and wagering board] GAMING COMMISSION to
17 the commissioner of taxation and finance no later than eighty days after
18 the close of such calendar year, and five special events at each track
19 in each calendar year, not otherwise conducted in the ordinary course of
20 business, the purpose of which shall be to encourage, attract and
21 promote track attendance and encourage new and continued patronage,
22 which events shall be [approved by the racing and wagering board]
23 SUBJECT TO THE PRIOR APPROVAL OF THE GAMING COMMISSION for purposes of
24 this subdivision. In the determination of the amounts expended for such
25 enhancements, the [board] GAMING COMMISSION may consider the immediately
26 preceding [twelve month] TWELVE-MONTH calendar period or the average of
27 the two immediately preceding [twelve month] TWELVE-MONTH calendar peri-
28 ods. Provided further, however, that of the portion of the increased
29 amounts retained by such corporation above those amounts retained in
30 nineteen hundred eighty-four, an amount of such increase shall be
31 distributed to purses in the same proportion as commissions and purses
32 were distributed during nineteen hundred eighty-four as certified by the
33 [board] GAMING COMMISSION. Such corporation in the second zone shall
34 receive a credit against the daily tax imposed by this subdivision in an
35 amount equal to FOUR-TENTHS OF one [per centum] PERCENT of total daily
36 pools resulting from the simulcast of such corporation's races to
37 licensed facilities operated by regional off-track betting corporations
38 in accordance with section one thousand eight of this chapter, provided
39 however, that sixty [per centum] PERCENT of the amount of such credit
40 shall be used exclusively to increase purses for overnight races
41 conducted by such corporation; and, provided further, that in no event
42 shall such total daily credit exceed FOUR-TENTHS OF one [per centum]
43 PERCENT of the total daily pool of such corporation. [Provided, however,
44 that on and after September first, nineteen hundred ninety-four such
45 credit shall be four-tenths percent of total daily pools resulting from
46 such simulcasting and that in no event shall such total daily credit
47 equal four-tenths percent of the total daily pool of such corporation.]
48 Such corporation shall pay to the New York state thoroughbred breeding
49 and development fund one-half of one [per centum] PERCENT of the total
50 daily on-track pari-mutuel pools from regular, multiple and exotic bets,
51 and three [per centum] PERCENT of super exotic bets. The corporation
52 shall receive credit as a reduction of the tax by the state for the
53 privilege of conducting pari-mutuel betting for the amounts, except
54 amounts paid from super exotic betting pools, paid to the New York state
55 thoroughbred breeding and development fund after January first, nineteen
56 hundred seventy-eight.

1 Such corporation shall distribute to purses an amount equal to fifty
2 [per centum] PERCENT of any compensation it receives from simulcasting
3 or from wagering conducted outside the United States. Such corporation
4 shall pay to the [racing and wagering board] GAMING COMMISSION as a
5 regulatory fee, which fee is hereby levied, [fifty hundredths]
6 SIX-TENTHS of one [per centum] PERCENT of the total daily on-track pari-
7 mutuel pools of such corporation.

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

11 (d) (I) The pari-mutuel tax rate authorized by paragraph (a) of this
12 subdivision shall be effective so long as a franchised corporation noti-
13 fies the [racing and wagering board] GAMING COMMISSION by August
14 fifteenth of each year that such pari-mutuel tax rate is effective of
15 its intent to conduct a race meeting at Aqueduct racetrack during the
16 months of December, January, February, March and April. For purposes of
17 this paragraph such race meeting shall consist of not less than ninety-
18 five days of racing. Not later than May first of each year that such
19 pari-mutuel tax rate is effective, the [racing and wagering board]
20 GAMING COMMISSION shall determine whether a race meeting at Aqueduct
21 racetrack consisted of the number of days as required by this paragraph.
22 In determining the number of race days, cancellation of a race day
23 because of an act of God[, which] THAT the [racing and wagering board]
24 GAMING COMMISSION approves or because of weather conditions that are
25 unsafe or hazardous which the [racing and wagering board] GAMING COMMIS-
26 SION approves shall not be construed as a failure to conduct a race day.
27 Additionally, cancellation of a race day because of circumstances beyond
28 the control of such franchised corporation for which the [racing and
29 wagering board] GAMING COMMISSION gives approval shall not be construed
30 as a failure to conduct a race day. If the [racing and wagering board]
31 GAMING COMMISSION determines that the number of days of racing as
32 required by this paragraph have not occurred then the pari-mutuel tax
33 rate in paragraph (a) of this subdivision shall revert to the pari-mutu-
34 el tax rates in effect prior to January first, nineteen hundred ninety-
35 five.

36 (II) Such franchised corporation shall pay to the [racing and wagering
37 board] GAMING COMMISSION as a regulatory fee, which fee is hereby
38 levied, [fifty hundredths] SIX-TENTHS of one [per centum] PERCENT of the
39 total daily on-track pari-mutuel pools of such franchised corporation.

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

43 d. Every harness racing association or corporation shall pay to the
44 [board] GAMING COMMISSION as a regulatory fee, which fee is hereby
45 levied, [fifty hundredths] SIX-TENTHS of one percent of the total daily
46 on-track pari-mutuel pools of such association or corporation.

47 S 4. The opening paragraph and the opening paragraph of subdivision 1
48 of section 527 of the racing, pari-mutuel wagering and breeding law, the
49 opening paragraph as amended by chapter 18 of the laws of 2008 and the
50 opening paragraph of subdivision 1 as amended by chapter 300 of the laws
51 of 2015, are amended to read as follows:

52 Each regional corporation conducting off-track betting shall distrib-
53 ute all sums deposited in any pari-mutuel pool through such corporation
54 to the holders of winning tickets therein, providing such tickets be
55 presented for payment prior to April first of the year following the
56 year of their purchase, less an amount [which] THAT it shall retain at

1 the same rate established by the track accepting wagers from each such
2 regional corporation.

3 The disposition of the retained commission from pools resulting from
4 regular, multiple or exotic bets, as the case may be, whether placed on
5 races run within a region or outside a region, conducted by racing
6 corporations, harness racing associations or corporations, quarter horse
7 racing associations or corporations or races run outside the state shall
8 be governed by the tables in paragraphs a and b of this subdivision. The
9 rate denominated "state tax" shall represent the rate of a reasonable
10 tax imposed upon the retained commission for the privilege of conducting
11 off-track pari-mutuel betting, which tax is hereby levied and shall be
12 payable in the manner set forth in this section. Each off-track betting
13 corporation shall pay to the [racing and wagering board] GAMING COMMIS-
14 SION as a regulatory fee, which fee is hereby levied, [fifty hundredths]
15 SIX-TENTHS of one percent of the total daily pools of such corporation.
16 Each corporation shall also pay twenty [per centum] PERCENT of the
17 breaks derived from bets on harness races and fifty [per centum] PERCENT
18 of the breaks derived from bets on all other races to the agriculture
19 and New York State horse breeding and development fund and to the
20 thoroughbred breeding and development fund, the total of such payments
21 to be apportioned fifty [per centum] PERCENT to each such fund. For the
22 purposes of this section, the New York city, Suffolk, Nassau, and the
23 Catskill regions shall constitute a single region and any thoroughbred
24 track located within the Capital District region shall be deemed to be
25 within such single region. A "regional meeting" shall refer to either
26 harness or thoroughbred meetings, or both, except that a franchised
27 corporation shall not be a regional track for the purpose of receiving
28 distributions from bets on thoroughbred races conducted by a thorough-
29 bred track in the Catskill region conducting a mixed meeting. With the
30 exception of a harness racing association or corporation first licensed
31 to conduct pari-mutuel wagering at a track located in Tioga or Saratoga
32 county after January first, two thousand five, racing corporations first
33 licensed to conduct pari-mutuel racing after January first, nineteen
34 hundred eighty-six or a harness racing association or corporation first
35 licensed to conduct pari-mutuel wagering at a track located in Genesee
36 County after January first, two thousand five, and quarter horse tracks
37 shall not be "regional tracks"; if there is more than one harness track
38 within a region, such tracks shall evenly divide payments made pursuant
39 to the tables in paragraphs a and b of this subdivision when neither
40 track is running. In the event a track elects to reduce its retained
41 percentage from any or all of its pari-mutuel pools, the payments to the
42 track holding the race and the regional track required by paragraphs a
43 and b of this subdivision shall be reduced in proportion to such
44 reduction. Nothing in this section shall be construed to authorize the
45 conduct of off-track betting contrary to the provisions of section five
46 hundred twenty-three of this article.

47 S 5. Paragraph a of subdivision 1 of section 904 of the racing, pari-
48 mutuel wagering and breeding law, as amended by chapter 18 of the laws
49 of 2008, are amended to read as follows:

50 a. The applicable state tax provided for in paragraphs a and b of
51 subdivision one of section five hundred twenty-seven of this chapter
52 shall be one-half [per centum] PERCENT for regular, multiple and exotic
53 bets. Any harness racing or association or corporation, or thoroughbred
54 racing corporation authorized pursuant to this section shall pay to the
55 [racing and wagering board] GAMING COMMISSION as a regulatory fee, which

1 fee is hereby levied, [fifty hundredths] SIX-TENTHS of one percent of
2 the total daily pari-mutuel pools.

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

6 g. Any harness racing or association or corporation, or thoroughbred
7 racing corporation authorized pursuant to this section shall pay to the
8 [racing and wagering board] GAMING COMMISSION as a regulatory fee, which
9 fee is hereby levied, [fifty hundredths] SIX-TENTHS of one percent of
10 the total daily pari-mutuel pools.

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

14 b. Of the sums received by the sending track, fifty percent shall be
15 distributed to purses in addition to moneys distributed pursuant to
16 section five hundred twenty-seven of this chapter. The off-track betting
17 corporation shall pay to the [racing and wagering board] GAMING COMMIS-
18 SION as a regulatory fee, which fee is hereby levied, [fifty hundredths]
19 SIX-TENTHS of one percent of the total daily pools.

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

23 d. The operator shall pay to the [racing and wagering board] GAMING
24 COMMISSION as a regulatory fee, which fee is hereby levied, [fifty
25 hundredths] SIX-TENTHS of one percent of the total daily pools.

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

29 (iv) Any thoroughbred racing corporation or harness racing association
30 or corporation or off-track betting corporation authorized pursuant to
31 this section shall pay to the [racing and wagering board] GAMING COMMIS-
32 SION as a regulatory fee, which fee is hereby levied, [fifty hundredths]
33 SIX-TENTHS of one percent of all wagering pools.

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

37 e. Any thoroughbred racing corporation or harness racing association
38 or corporation or off-track betting corporation authorized pursuant to
39 this section shall pay to the [racing and wagering board] GAMING COMMIS-
40 SION as a regulatory fee, which fee is hereby levied, [fifty hundredths]
41 SIX-TENTHS of one percent of all wagering pools.

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

46 (B) Any harness racing or association or corporation or thoroughbred
47 racing corporation authorized pursuant to this section shall pay to the
48 [racing and wagering board] GAMING COMMISSION as a regulatory fee, which
49 fee is hereby levied, [fifty hundredths] SIX-TENTHS of one percent of
50 the total daily pari-mutuel pools.

51 S 12. Paragraph b of subdivision 2 of section 1018 of the racing,
52 pari-mutuel wagering and breeding law, as amended by chapter 18 of the
53 laws of 2008, is amended to read as follows:

54 b. Any thoroughbred racing corporation or harness racing association
55 or corporation or off-track betting corporation shall pay to the [racing
56 and wagering board] GAMING COMMISSION as a regulatory fee, which fee is

1 hereby levied, [fifty hundredths] SIX-TENTHS of one percent of all
2 wagering pools.

3 S 13. Paragraph 2 of subdivision b of section 1612 of the tax law, as
4 amended by section 1 of part 00 of chapter 59 of the laws of 2014, is
5 amended to read as follows:

6 2. As consideration for the operation of a video lottery gaming facil-
7 ity, the division, shall cause the investment in the racing industry of
8 a portion of the vendor fee received pursuant to paragraph one of this
9 subdivision in the manner set forth in this subdivision. With the
10 exception of Aqueduct racetrack or a facility in the county of Nassau or
11 Suffolk operated by a corporation established pursuant to section five
12 hundred two of the racing, pari-mutuel wagering and breeding law, each
13 such track shall dedicate a portion of its vendor fees, received pursu-
14 ant to clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph (ii)
15 of paragraph one of this subdivision, for the purpose of enhancing purs-
16 es at such track, in an amount equal to eight and three-quarters percent
17 of the total revenue wagered at the vendor track after [pay out] PAYOUT
18 for prizes. One AND SIX-TENTHS percent of the gross purse enhancement
19 amount, as required by this subdivision, shall be paid to the gaming
20 commission to be used exclusively to promote and ensure equine health
21 and safety in New York. Any portion of such funding to the gaming
22 commission unused during a fiscal year shall be returned to the video
23 lottery gaming operators on a pro rata basis in accordance with the
24 amounts originally contributed by each operator and shall be used for
25 the purpose of enhancing purses at such track. One and one-half percent
26 of the gross purse enhancement amount at a thoroughbred track, as
27 required by this subdivision, shall be paid to an account established
28 pursuant to section two hundred twenty-one-a of the racing, pari-mutuel
29 wagering and breeding law to be used exclusively to provide health
30 insurance for jockeys. In addition, with the exception of Aqueduct race-
31 track or a facility in the county of Nassau or Suffolk operated by a
32 corporation established pursuant to section five hundred two of the
33 racing, pari-mutuel wagering and breeding law, one and one-quarter
34 percent of total revenue wagered at the vendor track after [pay out]
35 PAYOUT for prizes, received pursuant to clause (A), (B), (C), (D), (E),
36 (F), or (G) of subparagraph (ii) of paragraph one of this subdivision,
37 shall be distributed to the appropriate breeding fund for the manner of
38 racing conducted by such track.

39 Provided, further, that nothing in this paragraph shall prevent each
40 track from entering into an agreement, not to exceed five years, with
41 the organization authorized to represent its horsemen to increase or
42 decrease the portion of its vendor fee dedicated to enhancing purses at
43 such track during the years of participation by such track, or to race
44 fewer dates than required herein.

45 S 14. Paragraph 1 of subdivision f of section 1612 of the tax law, as
46 amended by section 2 of part 00 of chapter 59 of the laws of 2014, is
47 amended to read as follows:

48 1. [Six] SEVEN and one-half percent of the total wagered after payout
49 of prizes for the [first year of] operation of video lottery gaming at
50 Aqueduct racetrack, [seven percent of the total wagered after payout of
51 prizes for the second year of operation, and seven and one-half percent
52 of the total wagered after payout of prizes for the third year of opera-
53 tion and thereafter,] for the purpose of enhancing purses at Aqueduct
54 racetrack, Belmont Park racetrack and Saratoga race course. One AND
55 SIX-TENTHS percent of the gross purse enhancement amount, as required by
56 this subdivision, shall be paid to the gaming commission to be used

exclusively to promote and ensure equine health and safety in New York. Any portion of such funding to the gaming commission unused during a fiscal year shall be returned on a pro rata basis in accordance with the amounts originally contributed and shall be used for the purpose of enhancing purses at such tracks. One and one-half percent of the gross purse enhancement amount, as required by this subdivision, shall be paid to an account established pursuant to section two hundred twenty-one-a of the racing, pari-mutuel wagering and breeding law to be used exclusively to provide health insurance for jockeys.

S 15. This act shall take effect immediately.

PART CC

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

S 308. Officials at harness horse race meetings. 1. At all harness race meetings licensed by the [state racing and wagering board] GAMING COMMISSION in accordance with the provisions of sections two hundred twenty-two through seven hundred five of this chapter qualified judges and starters shall be designated by the [state racing and wagering board] GAMING COMMISSION. Such officials shall enforce the rules and regulations of the [state racing and wagering board] GAMING COMMISSION and shall render regular written reports of the activities and conduct of such race meetings to the [state racing and wagering board] GAMING COMMISSION.

2. The licensed racing corporations shall reimburse the [state racing and wagering board] GAMING COMMISSION for the per diem cost to the [board] COMMISSION to employ one associate judge and the starter to serve at harness race meetings. The [board] COMMISSION shall notify EACH such licensed racing [corporations] CORPORATION of the per diem cost of the associate judge and the starter [prior to the beginning] AT THE TRACK OF SUCH LICENSED RACING CORPORATION WITHIN SIXTY DAYS OF THE END of each month. Payment of the reimbursement required by this section shall be made to the [board] COMMISSION by each entity required to make such payments [on the last business day of each month] WITHIN THIRTY DAYS OF SUCH NOTIFICATION BY THE COMMISSION and shall cover all the costs incurred during that month. A penalty of five percent of payment due, and interest at the rate of one percent per month calculated from such [last day of each month] DATE THAT PAYMENT IS DUE to the date of the payment of the per diem cost shall be payable in case any per diem cost imposed by this subdivision is not paid when due. The [board] COMMISSION shall promulgate rules and regulations to ensure the proper reimbursement of such costs.

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

4. Any associate judge and starter whose per diem costs are reimbursed by a licensed racing corporation shall remain employees of the [state

1 racing and wagering board] GAMING COMMISSION and shall retain all the
2 rights and privileges of their current civil service jurisdictional
3 classification and status and collective bargaining unit representation.
4 S 2. This act shall take effect immediately.

PART DD

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

9 (G-2) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, WHEN A VENDOR
10 TRACK IS LOCATED WITHIN REGION SIX OF DEVELOPMENT ZONE TWO AS DEFINED BY
11 SECTION THIRTEEN HUNDRED TEN OF THE RACING, PARI-MUTUEL WAGERING AND
12 BREEDING LAW AND IS LOCATED WITHIN ONTARIO COUNTY, SUCH VENDOR TRACK
13 SHALL RECEIVE AN ADDITIONAL COMMISSION AT A RATE EQUAL TO THE PERCENTAGE
14 OF REVENUE WAGERED AT THE VENDOR TRACK AFTER PAYOUT FOR PRIZES PURSUANT
15 TO THIS CHAPTER, WHICH PERCENTAGE SHALL BE ONE HUNDRED, LESS THE SUM OF
16 THE PERCENTAGES OF NET REVENUE WAGERED AT THE VENDOR TRACK RETAINED BY
17 THE COMMISSION FOR OPERATION, ADMINISTRATION, AND PROCUREMENT PURPOSES;
18 AND THE VENDOR'S FEE, MARKETING ALLOWANCE AND CAPITAL AWARD PAID TO THE
19 VENDOR TRACK PURSUANT TO THIS CHAPTER; AND THE EFFECTIVE TAX RATE PAID
20 ON ALL GROSS GAMING REVENUE PAID BY A GAMING FACILITY WITHIN SENECA OR
21 WAYNE COUNTIES PURSUANT TO SECTION THIRTEEN HUNDRED FIFTY-ONE OF THE
22 RACING, PARI-MUTUEL WAGERING AND BREEDING LAW, PROVIDED, HOWEVER, SUCH
23 ADDITIONAL COMMISSION SHALL BE APPLIED TO REVENUE WAGERED AT THE VENDOR
24 TRACK AFTER PAYOUT FOR PRIZES ONLY WHILE A GAMING FACILITY IN SENECA OR
25 WAYNE COUNTIES IS OPEN AND OPERATIONAL PURSUANT TO AN OPERATION CERTIF-
26 ICATE ISSUED PURSUANT TO SECTION THIRTEEN HUNDRED THIRTY-ONE OF THE
27 RACING, PARI-MUTUEL WAGERING AND BREEDING LAW. THE ADDITIONAL COMMISSION
28 SET FORTH IN THIS CLAUSE SHALL BE PAID TO THE VENDOR TRACK WITHIN SIXTY
29 DAYS AFTER THE CONCLUSION OF THE STATE FISCAL YEAR BASED ON THE CALCU-
30 LATED PERCENTAGE DURING THE PREVIOUS FISCAL YEAR.

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

PART EE

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

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

45 S 2. This act shall take effect immediately and shall be deemed to
46 have been in full force and effect on and after April 1, 2016.

PART FF

48 Section 1. Paragraph (a) of subdivision 1 of section 1003 of the
49 racing, pari-mutuel wagering and breeding law, as amended by section 1

1 of part NN of chapter 59 of the laws of 2015, is amended to read as
2 follows:

3 (a) Any racing association or corporation or regional off-track
4 betting corporation, authorized to conduct pari-mutuel wagering under
5 this chapter, desiring to display the simulcast of horse races on which
6 pari-mutuel betting shall be permitted in the manner and subject to the
7 conditions provided for in this article may apply to the commission for
8 a license so to do. Applications for licenses shall be in such form as
9 may be prescribed by the commission and shall contain such information
10 or other material or evidence as the commission may require. No license
11 shall be issued by the commission authorizing the simulcast transmission
12 of thoroughbred races from a track located in Suffolk county. The fee
13 for such licenses shall be five hundred dollars per simulcast facility
14 and for account wagering licensees that do not operate either a simul-
15 cast facility that is open to the public within the state of New York or
16 a licensed racetrack within the state, twenty thousand dollars per year
17 payable by the licensee to the commission for deposit into the general
18 fund. Except as provided in this section, the commission shall not
19 approve any application to conduct simulcasting into individual or group
20 residences, homes or other areas for the purposes of or in connection
21 with pari-mutuel wagering. The commission may approve simulcasting into
22 residences, homes or other areas to be conducted jointly by one or more
23 regional off-track betting corporations and one or more of the follow-
24 ing: a franchised corporation, thoroughbred racing corporation or a
25 harness racing corporation or association; provided (i) the simulcasting
26 consists only of those races on which pari-mutuel betting is authorized
27 by this chapter at one or more simulcast facilities for each of the
28 contracting off-track betting corporations which shall include wagers
29 made in accordance with section one thousand fifteen, one thousand
30 sixteen and one thousand seventeen of this article; provided further
31 that the contract provisions or other simulcast arrangements for such
32 simulcast facility shall be no less favorable than those in effect on
33 January first, two thousand five; (ii) that each off-track betting
34 corporation having within its geographic boundaries such residences,
35 homes or other areas technically capable of receiving the simulcast
36 signal shall be a contracting party; (iii) the distribution of revenues
37 shall be subject to contractual agreement of the parties except that
38 statutory payments to non-contracting parties, if any, may not be
39 reduced; provided, however, that nothing herein to the contrary shall
40 prevent a track from televising its races on an irregular basis primari-
41 ly for promotional or marketing purposes as found by the commission. For
42 purposes of this paragraph, the provisions of section one thousand thir-
43 teen of this article shall not apply. Any agreement authorizing an
44 in-home simulcasting experiment commencing prior to May fifteenth, nine-
45 teen hundred ninety-five, may, and all its terms, be extended until June
46 thirtieth, two thousand [sixteen] SEVENTEEN; provided, however, that any
47 party to such agreement may elect to terminate such agreement upon
48 conveying written notice to all other parties of such agreement at least
49 forty-five days prior to the effective date of the termination, via
50 registered mail. Any party to an agreement receiving such notice of an
51 intent to terminate, may request the commission to mediate between the
52 parties new terms and conditions in a replacement agreement between the
53 parties as will permit continuation of an in-home experiment until June
54 thirtieth, two thousand [sixteen] SEVENTEEN; and (iv) no in-home simul-
55 casting in the thoroughbred special betting district shall occur without
56 the approval of the regional thoroughbred track.

1 S 2. Subparagraph (iii) of paragraph d of subdivision 3 of section
2 1007 of the racing, pari-mutuel wagering and breeding law, as amended by
3 section 2 of part NN of chapter 59 of the laws of 2015, is amended to
4 read as follows:

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

17 S 3. The opening paragraph of subdivision 1 of section 1014 of the
18 racing, pari-mutuel wagering and breeding law, as amended by section 3
19 of part NN of chapter 59 of the laws of 2015, is amended to read as
20 follows:

21 The provisions of this section shall govern the simulcasting of races
22 conducted at thoroughbred tracks located in another state or country on
23 any day during which a franchised corporation is conducting a race meet-
24 ing in Saratoga county at Saratoga thoroughbred racetrack until June
25 thirtieth, two thousand [sixteen] SEVENTEEN and on any day regardless of
26 whether or not a franchised corporation is conducting a race meeting in
27 Saratoga county at Saratoga thoroughbred racetrack after June thirtieth,
28 two thousand [sixteen] SEVENTEEN. On any day on which a franchised
29 corporation has not scheduled a racing program but a thoroughbred racing
30 corporation located within the state is conducting racing, every off-
31 track betting corporation branch office and every simulcasting facility
32 licensed in accordance with section one thousand seven (that have
33 entered into a written agreement with such facility's representative
34 horsemen's organization, as approved by the commission), one thousand
35 eight, or one thousand nine of this article shall be authorized to
36 accept wagers and display the live simulcast signal from thoroughbred
37 tracks located in another state or foreign country subject to the
38 following provisions:

39 S 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering
40 and breeding law, as amended by section 4 of part NN of chapter 59 of
41 the laws of 2015, is amended to read as follows:

42 1. The provisions of this section shall govern the simulcasting of
43 races conducted at harness tracks located in another state or country
44 during the period July first, nineteen hundred ninety-four through June
45 thirtieth, two thousand [sixteen] SEVENTEEN. This section shall super-
46 sede all inconsistent provisions of this chapter.

47 S 5. The opening paragraph of subdivision 1 of section 1016 of the
48 racing, pari-mutuel wagering and breeding law, as amended by section 5
49 of part NN of chapter 59 of the laws of 2015, is amended to read as
50 follows:

51 The provisions of this section shall govern the simulcasting of races
52 conducted at thoroughbred tracks located in another state or country on
53 any day during which a franchised corporation is not conducting a race
54 meeting in Saratoga county at Saratoga thoroughbred racetrack until June
55 thirtieth, two thousand [sixteen] SEVENTEEN. Every off-track betting
56 corporation branch office and every simulcasting facility licensed in

1 accordance with section one thousand seven that have entered into a
2 written agreement with such facility's representative horsemen's organ-
3 ization as approved by the commission, one thousand eight or one thou-
4 sand nine of this article shall be authorized to accept wagers and
5 display the live full-card simulcast signal of thoroughbred tracks
6 (which may include quarter horse or mixed meetings provided that all
7 such wagering on such races shall be construed to be thoroughbred races)
8 located in another state or foreign country, subject to the following
9 provisions; provided, however, no such written agreement shall be
10 required of a franchised corporation licensed in accordance with section
11 one thousand seven of this article:

12 S 6. The opening paragraph of section 1018 of the racing, pari-mutuel
13 wagering and breeding law, as amended by section 6 of part NN of chapter
14 59 of the laws of 2015, is amended to read as follows:

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

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

34 S 32. This act shall take effect immediately and the pari-mutuel tax
35 reductions in section six of this act shall expire and be deemed
36 repealed on July 1, [2016] 2017; provided, however, that nothing
37 contained herein shall be deemed to affect the application, qualifica-
38 tion, expiration, or repeal of any provision of law amended by any
39 section of this act, and such provisions shall be applied or qualified
40 or shall expire or be deemed repealed in the same manner, to the same
41 extent and on the same date as the case may be as otherwise provided by
42 law; provided further, however, that sections twenty-three and twenty-
43 five of this act shall remain in full force and effect only until May 1,
44 1997 and at such time shall be deemed to be repealed.

45 S 8. Section 54 of chapter 346 of the laws of 1990, amending the
46 racing, pari-mutuel wagering and breeding law and other laws relating to
47 simulcasting and the imposition of certain taxes, as amended by section
48 8 of part NN of chapter 59 of the laws of 2015, is amended to read as
49 follows:

50 S 54. This act shall take effect immediately; provided, however,
51 sections three through twelve of this act shall take effect on January
52 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-
53 ing law, as added by section thirty-eight of this act, shall expire and
54 be deemed repealed on July 1, [2016] 2017; and section eighteen of this
55 act shall take effect on July 1, 2008 and sections fifty-one and fifty-

1 two of this act shall take effect as of the same date as chapter 772 of
2 the laws of 1989 took effect.

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

6 (a) The franchised corporation authorized under this chapter to
7 conduct pari-mutuel betting at a race meeting or races run thereat shall
8 distribute all sums deposited in any pari-mutuel pool to the holders of
9 winning tickets therein, provided such tickets be presented for payment
10 before April first of the year following the year of their purchase,
11 less an amount which shall be established and retained by such fran-
12 chised corporation of between twelve to seventeen per centum of the
13 total deposits in pools resulting from on-track regular bets, and four-
14 teen to twenty-one per centum of the total deposits in pools resulting
15 from on-track multiple bets and fifteen to twenty-five per centum of the
16 total deposits in pools resulting from on-track exotic bets and fifteen
17 to thirty-six per centum of the total deposits in pools resulting from
18 on-track super exotic bets, plus the breaks. The retention rate to be
19 established is subject to the prior approval of the gaming commission.
20 Such rate may not be changed more than once per calendar quarter to be
21 effective on the first day of the calendar quarter. "Exotic bets" and
22 "multiple bets" shall have the meanings set forth in section five
23 hundred nineteen of this chapter. "Super exotic bets" shall have the
24 meaning set forth in section three hundred one of this chapter. For
25 purposes of this section, a "pick six bet" shall mean a single bet or
26 wager on the outcomes of six races. The breaks are hereby defined as the
27 odd cents over any multiple of five for payoffs greater than one dollar
28 five cents but less than five dollars, over any multiple of ten for
29 payoffs greater than five dollars but less than twenty-five dollars,
30 over any multiple of twenty-five for payoffs greater than twenty-five
31 dollars but less than two hundred fifty dollars, or over any multiple of
32 fifty for payoffs over two hundred fifty dollars. Out of the amount so
33 retained there shall be paid by such franchised corporation to the
34 commissioner of taxation and finance, as a reasonable tax by the state
35 for the privilege of conducting pari-mutuel betting on the races run at
36 the race meetings held by such franchised corporation, the following
37 percentages of the total pool for regular and multiple bets five per
38 centum of regular bets and four per centum of multiple bets plus twenty
39 per centum of the breaks; for exotic wagers seven and one-half per
40 centum plus twenty per centum of the breaks, and for super exotic bets
41 seven and one-half per centum plus fifty per centum of the breaks. For
42 the period June first, nineteen hundred ninety-five through September
43 ninth, nineteen hundred ninety-nine, such tax on regular wagers shall be
44 three per centum and such tax on multiple wagers shall be two and one-
45 half per centum, plus twenty per centum of the breaks. For the period
46 September tenth, nineteen hundred ninety-nine through March thirty-
47 first, two thousand one, such tax on all wagers shall be two and six-
48 tenths per centum and for the period April first, two thousand one
49 through December thirty-first, two thousand [sixteen] SEVENTEEN, such
50 tax on all wagers shall be one and six-tenths per centum, plus, in each
51 such period, twenty per centum of the breaks. Payment to the New York
52 state thoroughbred breeding and development fund by such franchised
53 corporation shall be one-half of one per centum of total daily on-track
54 pari-mutuel pools resulting from regular, multiple and exotic bets and
55 three per centum of super exotic bets provided, however, that for the
56 period September tenth, nineteen hundred ninety-nine through March thir-

ty-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 [sixteen] SEVENTEEN, such payment shall be seven-tenths of one per centum of such pools.

S 10. This act shall take effect immediately.

PART GG

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

(H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of this subparagraph, the track operator of a vendor track shall be eligible for a vendor's capital award of up to four percent of the total revenue wagered at the vendor track after payout for prizes pursuant to this chapter, which shall be used exclusively for capital project investments to improve the facilities of the vendor track which promote or encourage increased attendance at the video lottery gaming facility including, but not limited to hotels, other lodging facilities, entertainment facilities, retail facilities, dining facilities, events arenas, parking garages and other improvements that enhance facility amenities; provided that such capital investments shall be approved by the division, in consultation with the state racing and wagering board, and that such vendor track demonstrates that such capital expenditures will increase patronage at such vendor track's facilities and increase the amount of revenue generated to support state education programs. The annual amount of such vendor's capital awards that a vendor track shall be eligible to receive shall be limited to two million five hundred thousand dollars, except for Aqueduct racetrack, for which there shall be no vendor's capital awards. Except for tracks having less than one thousand one hundred video gaming machines, and except for a vendor track located west of State Route 14 from Sodus Point to the Pennsylvania border within New York, each track operator shall be required to co-invest an amount of capital expenditure equal to its cumulative vendor's capital award. For all tracks, except for Aqueduct racetrack, the amount of any vendor's capital award that is not used during any one year period may be carried over into subsequent years ending before April first, two thousand [sixteen] SEVENTEEN. Any amount attributable to a capital expenditure approved prior to April first, two thousand [sixteen] SEVENTEEN and completed before April first, two thousand [eighteen] NINETEEN; or approved prior to April first, two thousand [twenty] TWENTY-ONE and completed before April first, two thousand [twenty-two] TWENTY-THREE for a vendor track located west of State Route 14 from Sodus Point to the Pennsylvania border within New York, shall be eligible to receive the vendor's capital award. In the event that a vendor track's capital expenditures, approved by the division prior to April first, two thousand [sixteen] SEVENTEEN and completed prior to April first, two thousand [eighteen] NINETEEN, exceed the vendor track's cumulative capital award during the five year period ending April first, two thousand [sixteen] SEVENTEEN, the vendor shall continue to receive the capital award after April first, two thousand [sixteen] SEVENTEEN until such approved capital expenditures are paid to the vendor track subject to any required co-investment. In no event shall any vendor track that receives a vendor fee pursuant to clause (F) or (G) of this subparagraph be eligible for a vendor's capital award under this section. Any opera-

tor of a vendor track which has received a vendor's capital award, choosing to divest the capital improvement toward which the award was applied, prior to the full depreciation of the capital improvement in accordance with generally accepted accounting principles, shall reimburse the state in amounts equal to the total of any such awards. Any capital award not approved for a capital expenditure at a video lottery gaming facility by April first, two thousand [sixteen] SEVENTEEN shall be deposited into the state lottery fund for education aid; and

S 2. This act shall take effect immediately.

PART HH

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

b. ten percent of the moneys in such fund, AS ATTRIBUTABLE TO A SPECIFIC LICENSED GAMING FACILITY, shall be appropriated or transferred from the commercial gaming revenue fund equally between the host municipality and host county OF SUCH FACILITY.

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

(G) Notwithstanding any provision to the contrary, when a vendor track is located within regions one, two, or five of development zone two as defined by section thirteen hundred ten of the racing, pari-mutuel wagering and breeding law, such vendor track shall receive an additional commission at a rate equal to the percentage of revenue wagered at the vendor track after payout for prizes pursuant to this chapter, WHICH PERCENTAGE SHALL BE ONE HUNDRED, less [ten percent] THE SUM OF THE PERCENTAGES OF NET REVENUE WAGERED AT THE VENDOR TRACK retained by the commission for operation, administration, and procurement purposes; and [payment of] the vendor's fee, marketing allowance[,] and capital award paid TO THE VENDOR TRACK pursuant to this chapter; and the effective tax rate paid on all gross gaming revenue paid by a gaming facility within the same region pursuant to section thirteen hundred fifty-one of the racing, pari-mutuel wagering and breeding law, PROVIDED, HOWEVER, SUCH ADDITIONAL COMMISSION SHALL BE APPLIED TO REVENUE WAGERED AT THE VENDOR TRACK AFTER PAYOUT FOR PRIZES ONLY WHILE A GAMING FACILITY IN THE SAME REGION IS OPEN AND OPERATIONAL PURSUANT TO AN OPERATION CERTIFICATE ISSUED PURSUANT TO SECTION THIRTEEN HUNDRED THIRTY-ONE OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW. The additional commission SET FORTH IN THIS CLAUSE shall be paid to the vendor track within sixty days after the conclusion of the state fiscal year based on the calculated percentage during the previous fiscal year.

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

PART II

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

1. Except in accordance with proper judicial order or as in this section or otherwise provided by law, it shall be unlawful for the commissioner, any officer or employee of the department, or any officer or person who, pursuant to this section, is permitted to inspect any return or report or to whom a copy, an abstract or a portion of any

1 return or report is furnished, or to whom any information contained in
2 any return or report is furnished, or any person engaged or retained by
3 such department on an independent contract basis or any person who in
4 any manner may acquire knowledge of the contents of a return or report
5 filed pursuant to this article to divulge or make known in any manner
6 the contents or any other information relating to the business of a
7 distributor, owner or other person contained in any return or report
8 required under this article. The officers charged with the custody of
9 such returns or reports shall not be required to produce any of them or
10 evidence of anything contained in them in any action or proceeding in
11 any court, except on behalf of the state, the state department of
12 health, or the commissioner in an action or proceeding under the
13 provisions of this chapter or on behalf of the state or the commissioner
14 in any other action or proceeding involving the collection of a tax due
15 under this chapter to which the state or the commissioner is a party or
16 a claimant or on behalf of any party to any action or proceeding under
17 the provisions of this article, when the returns or the reports or the
18 facts shown thereby are directly involved in such action or proceeding,
19 or in an action or proceeding relating to the regulation or taxation of
20 medical marihuana on behalf of officers to whom information shall have
21 been supplied as provided in subdivision two of this section, in any of
22 which events the court may require the production of, and may admit in
23 evidence so much of said returns or reports or of the facts shown there-
24 by as are pertinent to the action or proceeding and no more. Nothing
25 herein shall be construed to prohibit the commissioner, in his or her
26 discretion, from allowing the inspection or delivery of a certified copy
27 of any return or report filed under this article or of any information
28 contained in any such return or report by or to a duly authorized offi-
29 cer or employee of the state department of health; or by or to the
30 attorney general or other legal representatives of the state when an
31 action shall have been recommended or commenced pursuant to this chapter
32 in which such returns or reports or the facts shown thereby are directly
33 involved; or the inspection of the returns or reports required under
34 this article by the comptroller or duly designated officer or employee
35 of the state department of audit and control, for purposes of the audit
36 of a refund of any tax paid by a registered organization or other person
37 under this article; nor to prohibit the delivery to a registered organ-
38 ization, or a duly authorized representative of such registered organ-
39 ization, a certified copy of any return or report filed by such regis-
40 tered organization pursuant to this article, nor to prohibit the
41 publication of statistics so classified as to prevent the identification
42 of particular returns or reports and the items thereof. THIS SECTION
43 SHALL ALSO NOT BE CONSTRUED TO PROHIBIT THE DISCLOSURE, FOR TAX ADMINIS-
44 TRATION PURPOSES, TO THE DIVISION OF THE BUDGET AND THE OFFICE OF THE
45 STATE COMPTROLLER, OF INFORMATION AGGREGATED FROM THE RETURNS FILED BY
46 ALL THE REGISTERED ORGANIZATIONS MAKING SALES OF, OR MANUFACTURING,
47 MEDICAL MARIHUANA IN A SPECIFIED COUNTY, WHETHER THE NUMBER OF SUCH
48 REGISTERED ORGANIZATIONS IS ONE OR MORE. PROVIDED FURTHER THAT, NOTWITH-
49 STANDING THE PROVISIONS OF THIS SUBDIVISION, THE COMMISSIONER MAY, IN
50 HIS OR HER DISCRETION, PERMIT THE PROPER OFFICER OF ANY COUNTY ENTITLED
51 TO RECEIVE AN ALLOCATION, FOLLOWING APPROPRIATION BY THE LEGISLATURE,
52 PURSUANT TO THIS ARTICLE AND SECTION EIGHTY-NINE-H OF THE STATE FINANCE
53 LAW, OR THE AUTHORIZED REPRESENTATIVE OF SUCH OFFICER, TO INSPECT ANY
54 RETURN FILED UNDER THIS ARTICLE, OR MAY FURNISH TO SUCH OFFICER OR THE
55 OFFICER'S AUTHORIZED REPRESENTATIVE AN ABSTRACT OF ANY SUCH RETURN OR
56 SUPPLY SUCH OFFICER OR SUCH REPRESENTATIVE WITH INFORMATION CONCERNING

1 AN ITEM CONTAINED IN ANY SUCH RETURN, OR DISCLOSED BY ANY INVESTIGATION
2 OF TAX LIABILITY UNDER THIS ARTICLE.

3 S 2. This act shall take effect immediately; provided, however, that
4 the amendments to subdivision 1 of section 491 of the tax law made by
5 section one of this act shall be deemed to have been in full force and
6 effect on and after January 1, 2016, and shall not affect the repeal of
7 such section and shall be deemed to be repealed therewith.

8 PART JJ

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

12 15. Recoupment of exemptions by commissioner. (a) Generally. If the
13 commissioner should determine, based upon data collected under the STAR
14 registration program, that property improperly received the basic STAR
15 exemption [on] IN THE CURRENT SCHOOL YEAR OR one or more of the three
16 preceding [assessment rolls] SCHOOL YEARS, the commissioner shall treat
17 the exemption as an improperly granted exemption and proceed in the
18 manner provided by this subdivision; provided that final assessment
19 rolls that were filed prior to April first, two thousand eleven shall
20 not be subject to the provisions of this subdivision.

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

30 (i) IN ORDER FOR THE RECOUPMENT PROCEDURE TO BE CONSIDERED TIMELY, THE
31 NOTICE REQUIRED BY SUBPARAGRAPH (II) OF THIS PARAGRAPH MUST BE MAILED NO
32 LATER THAN THREE YEARS AFTER THE CONCLUSION OF THE SCHOOL YEAR FOR WHICH
33 THE EXEMPTION IN QUESTION WAS GRANTED, OR IN THE CASE OF AN EXEMPTION
34 THAT WAS GRANTED FOR THE TWO THOUSAND TWELVE--TWO THOUSAND THIRTEEN
35 SCHOOL YEAR, NO LATER THAN SEPTEMBER THIRTIETH, TWO THOUSAND SIXTEEN;

36 (II) prior to directing that an improperly granted exemption be
37 recouped pursuant to this subdivision, the commissioner shall provide
38 the owners with notice and an opportunity to show the commissioner that
39 the exemption was properly granted. If the owners fail to respond to
40 such notice within forty-five days from the mailing thereof, or if their
41 response does not show to the commissioner's satisfaction that the
42 eligibility requirements were in fact satisfied, the commissioner shall
43 proceed with the recoupment of the improperly granted exemption in
44 accordance with the provisions of this subdivision; and

45 [(ii)] (III) notwithstanding the provisions of paragraph (b) of subdi-
46 vision six of this section, neither an assessor nor a board of assess-
47 ment review has the authority to consider an objection to the recoupment
48 of an exemption pursuant to this subdivision, nor may such an action be
49 reviewed in a proceeding to review an assessment pursuant to title one
50 or one-A of article seven of this chapter. Such an action may only be
51 challenged before the department. If an owner is dissatisfied with the
52 department's final determination, the owner may appeal that determi-
53 nation to the board in a form and manner to be prescribed by the commis-
54 sioner. Such appeal shall be filed within forty-five days from the issu-

1 ance of the department's final determination. If dissatisfied with the
2 board's determination, the owner may seek judicial review thereof pursu-
3 ant to article seventy-eight of the civil practice law and rules. The
4 owner shall otherwise have no right to challenge such final determi-
5 nation in a court action, administrative proceeding, including but not
6 limited to an administrative proceeding pursuant to article forty of the
7 tax law, or any other form of legal recourse against the commissioner,
8 the department, the board, the assessor, or any other person, state
9 agency, or local government.

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

15 (d) In the event that a revocation of prior exemption pursuant to
16 subdivision twelve of this section or a voluntary renunciation of the
17 STAR exemption pursuant to section four hundred ninety-six of this
18 [chapter] ARTICLE has occurred, the provisions of this subdivision shall
19 not be applicable to the exemptions so revoked or voluntarily renounced.

20 S 2. This act shall take effect immediately.

21 PART KK

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

26 a. Each carrier shall apply to the commissioner for a certificate of
27 registration for each motor vehicle operated or to be operated by [him]
28 SUCH CARRIER on the public highways in this state. Application shall be
29 made upon a form prescribed by such commissioner and shall set forth the
30 gross and unloaded weight of each motor vehicle, license plate informa-
31 tion for each motor vehicle and such other information as the commis-
32 sioner may require. Such weights shall be subject to audit and approval
33 by the commissioner. [The application shall be accompanied by a fee of
34 fifteen dollars for each motor vehicle listed in the application.] The
35 commissioner shall issue [without further charge] a certificate of
36 registration for each motor vehicle or a consolidated certificate of
37 registration for all or any portion of such vehicles of such carrier
38 which shall contain such information and be in such form as the commis-
39 sioner shall prescribe. In the case of the loss, mutilation or
40 destruction of a certificate of registration, the commissioner shall
41 issue a duplicate thereof [upon payment of a fee of two dollars]. Any
42 such certificate of registration shall not be transferable, except as
43 hereinafter provided, and shall be valid until revoked, suspended or
44 surrendered. Such certificate of registration shall be maintained in the
45 carrier's regular place of business. In the event of an increase in the
46 gross or unloaded weight of any motor vehicle subject to this article,
47 application for a corrected certificate of registration shall be made
48 upon a form prescribed by such commissioner setting forth the previous
49 gross or unloaded weight, the new gross or unloaded weight and such
50 other information as the commissioner may require. In the event of a
51 decrease in the gross or unloaded weight of any motor vehicle subject to
52 this article, application may be made for a corrected certificate of
53 registration in a similar manner, provided that any such application on
54 the basis of a decrease in the gross or unloaded weight of any motor

1 vehicle may be made only during the month of January. In the event of a
2 decrease in the gross or unloaded weight of any motor vehicle subject to
3 this article, an application to cancel a certificate of registration on
4 the basis of such decrease may be made during any month. The corrected
5 gross or unloaded weight shall be subject to audit and approval by the
6 commissioner. In the event of a change to the license plate information
7 of any motor vehicle subject to this article, an application for a
8 corrected certificate of registration shall be made upon a form
9 prescribed by the commissioner setting forth the previous license plate
10 information, the new license plate information and such other informa-
11 tion as the commissioner may require. Upon surrendering the certificate
12 of registration previously issued, the commissioner shall[, without
13 further charge,] issue a corrected certificate of registration.

14 b. Every automotive fuel carrier shall apply to the commissioner for a
15 special certificate of registration, in place of the certificate of
16 registration described in paragraph a of this subdivision, for each
17 motor vehicle operated or to be operated by [him] SUCH CARRIER on the
18 public highways in this state to transport automotive fuel. Provided,
19 however, a special certificate of registration shall not be required
20 under this paragraph for a tractor or other self-propelled device which,
21 except with respect to the fuel in the ordinary fuel tank intended for
22 its propulsion, transports automotive fuel solely by means of a trailer,
23 dolly or other device drawn by such tractor or other self-propelled
24 device if a certificate of registration prescribed by paragraph a of
25 this subdivision has been issued for the self-propelled device. Applica-
26 tion shall be made upon an application form prescribed by the commis-
27 sioner. [The application shall be accompanied by a fee of fifteen
28 dollars for each trailer, semi-trailer, dolly or other device listed in
29 the application.] The commissioner shall issue [without further charge]
30 such special certificate of registration for each motor vehicle listed
31 in the application or a consolidated certificate of registration for all
32 or any portion of such vehicles of such carrier. All of the provisions
33 of this article with respect to certificates of registration shall be
34 applicable to the special certificates of registration issued to automo-
35 tive fuel carriers under this paragraph as if those provisions had been
36 set forth in full in this paragraph and expressly referred to the
37 special certificates of registration required by this paragraph except
38 to the extent that any such provision is either inconsistent with a
39 provision of this paragraph or not relevant to the certificates of
40 registration required by this paragraph. Any certificate of registration
41 shall not be transferable, and shall be valid until revoked, suspended
42 or surrendered. Such special certificate of registration shall be main-
43 tained in the carrier's regular place of business. Nothing contained in
44 this paragraph shall in any way exempt an automotive fuel carrier from
45 payment of the taxes imposed pursuant to this article.

46 S 2. Paragraphs a and b of subdivision 6 of section 502 of the tax
47 law, as added by section 1 of part K-1 of chapter 57 of the laws of
48 2009, are amended to read as follows:

49 a. The commissioner may require the use of decals as evidence that a
50 carrier has a valid certificate of registration for each motor vehicle
51 operated or to be operated on the public highways of this state as
52 required by paragraph a of subdivision one of this section. If the
53 commissioner requires the use of decals, the commissioner shall issue
54 for each motor vehicle with a valid certificate of registration a decal
55 that shall be of a size and design and containing such information as
56 the commissioner prescribes. [The fee for any decal issued pursuant to

1 this paragraph is four dollars.] In the case of the loss, mutilation, or
2 destruction of a decal, the commissioner shall issue a new decal upon
3 proof of the facts [and payment of four dollars]. The decal shall be
4 firmly and conspicuously affixed upon the motor vehicle for which it is
5 issued as closely as practical to the registration or license plates and
6 at all times be visible and legible. No decal is transferable. A decal
7 shall be valid until it expires or is revoked, suspended, or surren-
8 dered.

9 b. The commissioner may require the use of special decals as evidence
10 that an automotive fuel carrier has a valid special certificate of
11 registration for each motor vehicle operated or to be operated on the
12 public highways of this state to transport automotive fuel as required
13 by paragraph b of subdivision one of this section. If the commissioner
14 requires the use of special decals, the commissioner shall issue for
15 each motor vehicle with a valid special certificate of registration a
16 special decal that shall be distinctively colored and of a size and
17 design and containing such information as the commissioner prescribes.
18 [The fee for any special decal issued pursuant to this paragraph is four
19 dollars.] In the case of the loss, mutilation, or destruction of a
20 special decal, the commissioner shall issue a new special decal upon
21 proof of the facts [and payment of four dollars]. The special decal
22 shall be firmly and conspicuously affixed upon the motor vehicle for
23 which it is issued pursuant to the rules and regulations prescribed by
24 the commissioner to enable the easy identification of the automotive
25 fuel carrier certificate of registration number and at all times be
26 visible and legible. No special decal is transferable and shall be valid
27 until it expires or is revoked, suspended, or surrendered.

28 S 3. The tax law is amended by adding a new section 502-a to read as
29 follows:

30 S 502-A. CERTIFICATE OF REGISTRATION AND DECAL FEES. THE APPLICATION
31 FOR A CERTIFICATE OF REGISTRATION AND DECAL DESCRIBED IN PARAGRAPH A OF
32 SUBDIVISION ONE AND PARAGRAPH A OF SUBDIVISION SIX OF SECTION FIVE
33 HUNDRED TWO OF THIS ARTICLE, OR A SPECIAL CERTIFICATE OF REGISTRATION
34 AND SPECIAL DECAL AS DESCRIBED IN PARAGRAPH B OF SUBDIVISION ONE AND
35 PARAGRAPH B OF SUBDIVISION SIX OF SUCH SECTION, SHALL BE ACCOMPANIED BY
36 A FEE OF ONE DOLLAR AND FIFTY CENTS. IN THE CASE OF THE LOSS, MUTILA-
37 TION OR DESTRUCTION OF ANY SUCH DOCUMENTS, THE COMMISSIONER SHALL ISSUE
38 A DUPLICATE SET THEREOF UPON PAYMENT OF A FEE OF ONE DOLLAR AND FIFTY
39 CENTS. PROVIDED, HOWEVER, THERE SHALL BE NO ADDITIONAL CHARGE FOR THE
40 ISSUANCE OF A CORRECTED CERTIFICATE OF REGISTRATION PURSUANT TO PARA-
41 GRAPH A OF SUBDIVISION ONE OF SECTION FIVE HUNDRED TWO OF THIS ARTICLE.

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

45 8. To issue replacement certificates of registration or decals at such
46 times as the commissioner may deem necessary for the proper and effi-
47 cient enforcement of the provisions of this article, but not more often
48 than once every year and to require the surrender of the then outstand-
49 ing certificates of registration and decals. All of the provisions of
50 this article with respect to certificates of registration and decals
51 shall be applicable to replacement certificates of registration and
52 decals issued hereunder, except that the replacement certificate of
53 registration or decal shall be issued upon payment of a fee of [fifteen
54 dollars] ONE DOLLAR AND FIFTY CENTS for each motor vehicle and for any
55 trailer, semi-trailer, dolly or other device drawn thereby for which a

1 certificate of registration or decal is required to be issued under this
2 article;

3 S 5. Section 515 of the tax law, as added by chapter 329 of the laws
4 of 1991, is amended to read as follows:

5 S 515. Disposition of revenues. All taxes, interest, penalties and
6 fees collected or received pursuant to this article shall be deposited
7 daily in one account with such responsible banks, banking houses or
8 trust companies as may be designated by the comptroller, and to the
9 credit of the comptroller on account of the dedicated highway and bridge
10 trust fund established pursuant to section eighty-nine-b of the state
11 finance law. Such an account may be established in one or more of such
12 depositories and such deposits shall be kept separate and apart from all
13 other moneys in the possession of the comptroller. The comptroller shall
14 require adequate security from all such depositories.

15 Of the revenues so deposited, the comptroller shall retain in his
16 hands such amount as the commissioner of taxation and finance may deter-
17 mine to be necessary for refunds or reimbursements of the taxes
18 collected or received pursuant to this article to which taxpayers shall
19 be entitled under the provisions of this article, out of which amount
20 the comptroller shall pay any refunds or reimbursements of the taxes
21 collected or received pursuant to this article to which taxpayers shall
22 be entitled under such provisions. The comptroller, after reserving the
23 amount to pay such refunds or reimbursements, shall, on or before the
24 last day of each month, pay the balance of the revenue so deposited
25 during such month into the dedicated highway and bridge trust fund
26 established pursuant to section eighty-nine-b of the state finance law.

27 NOTWITHSTANDING THE FOREGOING OR ANY OTHER LAW TO THE CONTRARY, THE
28 COMPTROLLER SHALL DEPOSIT ALL MONIES COLLECTED ON ACCOUNT OF THE REGIS-
29 TRATION FEES IMPOSED PURSUANT TO SECTION FIVE HUNDRED TWO-A AND SUBDIVI-
30 SION EIGHT OF SECTION FIVE HUNDRED NINE OF THIS ARTICLE INTO THE HIGHWAY
31 USE TAX ADMINISTRATION ACCOUNT ESTABLISHED PURSUANT TO SECTION
32 NINETY-NINE-Y OF THE STATE FINANCE LAW. THE MONIES DEPOSITED IN SUCH
33 ACCOUNT SHALL BE AVAILABLE TO THE COMMISSIONER FOR THE COSTS OF ISSUING
34 THE CERTIFICATES OF REGISTRATION AND HIGHWAY USE TAX DECALS REQUIRED BY
35 THIS ARTICLE AND FOR ANY OTHER COSTS OF ADMINISTERING THE PROVISIONS OF
36 SECTIONS FIVE HUNDRED TWO, FIVE HUNDRED TWO-A AND FIVE HUNDRED NINE OF
37 THIS ARTICLE. ANY MONEYS NOT USED IN A GIVEN YEAR SHALL BE RETURNED TO
38 SUCH ACCOUNT AND BE ADDED TO THE TOTAL FUNDS AVAILABLE FOR DISBURSEMENT
39 IN THE SUCCEEDING YEAR.

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

42 S 99-Y. HIGHWAY USE TAX ADMINISTRATION ACCOUNT. 1. THERE IS HEREBY
43 ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE
44 COMMISSIONER OF THE DEPARTMENT OF TAXATION AND FINANCE A SPECIAL ACCOUNT
45 TO BE KNOWN AS THE "HIGHWAY USE TAX ADMINISTRATION ACCOUNT".

46 2. THE HIGHWAY USE TAX ADMINISTRATION ACCOUNT SHALL CONSIST OF ALL
47 MONIES COLLECTED FROM THE HIGHWAY USE TAX REGISTRATION AND DECAL FEES
48 COLLECTED PURSUANT TO SECTIONS FIVE HUNDRED TWO-A AND FIVE HUNDRED NINE
49 OF THE TAX LAW, AND ANY OTHER MONIES DEPOSITED INTO THE ACCOUNT PURSUANT
50 TO LAW.

51 3. MONIES OF THE ACCOUNT, FOLLOWING APPROPRIATION BY THE LEGISLATURE,
52 SHALL BE USED FOR THE COSTS OF THE COMMISSIONER OF TAXATION AND FINANCE
53 IN ADMINISTERING SECTIONS FIVE HUNDRED TWO, FIVE HUNDRED TWO-A AND FIVE
54 HUNDRED NINE OF THE TAX LAW, AND EXPENDED FOR THE PURPOSES SET FORTH IN
55 SECTION FIVE HUNDRED FIFTEEN OF THE TAX LAW.

56 S 7. This act shall take effect immediately.

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

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