

STATE OF NEW YORK

3804

2021-2022 Regular Sessions

IN SENATE

January 30, 2021

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to extending the top state income tax rate

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph
2 (B) of paragraph 1 of subsection (a) of section 601 of the tax law,
3 clauses (iv), (v), (vi) and (vii) as amended by section 1 of part P of
4 chapter 59 of the laws of 2019, and clause (viii) as added by section 1
5 of part R of chapter 59 of the laws of 2017, are amended to read as
6 follows:
7 (iv) For taxable years beginning in two thousand twenty-one the
8 following rates shall apply:
9 If the New York taxable income is: The tax is:
10 Not over \$17,150 4% of the New York taxable income
11 Over \$17,150 but not over \$23,600 \$686 plus 4.5% of excess over
12 \$17,150
13 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of excess over
14 \$23,600
15 Over \$27,900 but not over \$43,000 \$1,202 plus 5.9% of excess over
16 \$27,900
17 Over \$43,000 but not over \$161,550 \$2,093 plus 5.97% of excess over
18 \$43,000
19 Over \$161,550 but not over \$323,200 \$9,170 plus 6.33% of excess over
20 \$161,550
21 Over \$323,200 but not over \$19,403 plus 6.85% of excess
22 ~~[\$2,155,350]~~ \$1,000,000 over \$323,200
23 ~~[Over \$2,155,350~~ \$144,905 plus 8.82% of excess over
24 ~~\$2,155,350]~~
25 Over \$1,000,000 \$65,764 plus 10.75% of excess over

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

LBD02773-02-1

1 \$1,000,000
2 (v) For taxable years beginning in two thousand twenty-two the follow-
3 ing rates shall apply:
4 If the New York taxable income is: The tax is:
5 Not over \$17,150 4% of the New York taxable income
6 Over \$17,150 but not over \$23,600 \$686 plus 4.5% of excess over
7 \$17,150
8 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of excess over
9 \$23,600
10 Over \$27,900 but not over \$161,550 \$1,202 plus 5.85% of excess over
11 \$27,900
12 Over \$161,550 but not over \$323,200 \$9,021 plus 6.25% of excess over
13 \$161,550
14 Over \$323,200 but not over \$1,000,000 \$19,124 plus 6.85% of excess over
15 \$2,155,350 \$1,000,000 \$323,200
16 ~~[Over \$2,155,350 \$144,626 plus 8.82% of excess over~~
17 ~~\$2,155,350]~~
18 Over \$1,000,000 \$65,485 plus 10.75% of excess over
19 \$1,000,000
20 (vi) For taxable years beginning in two thousand twenty-three the
21 following rates shall apply:
22 If the New York taxable income is: The tax is:
23 Not over \$17,150 4% of the New York taxable income
24 Over \$17,150 but not over \$23,600 \$686 plus 4.5% of excess over
25 \$17,150
26 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of excess over
27 \$23,600
28 Over \$27,900 but not over \$161,550 \$1,202 plus 5.73% of excess over
29 \$27,900
30 Over \$161,550 but not over \$323,200 \$8,860 plus 6.17% of excess over
31 \$161,550
32 Over \$323,200 but not over \$1,000,000 \$18,834 plus 6.85% of
33 \$2,155,350 \$1,000,000 excess over \$323,200
34 ~~[Over \$2,155,350 \$144,336 plus 8.82% of excess over~~
35 ~~\$2,155,350]~~
36 Over \$1,000,000 \$65,195 plus 10.75% of excess over
37 \$1,000,000
38 (vii) For taxable years beginning in two thousand twenty-four the
39 following rates shall apply:
40 If the New York taxable income is: The tax is:
41 Not over \$17,150 4% of the New York taxable income
42 Over \$17,150 but not over \$23,600 \$686 plus 4.5% of excess over
43 \$17,150
44 Over \$23,600 but not over \$27,900 \$976 plus 5.25% of excess over
45 \$23,600
46 Over \$27,900 but not over \$161,550 \$1,202 plus 5.61% of excess over
47 \$27,900
48 Over \$161,550 but not over \$323,200 \$8,700 plus 6.09% of excess over
49 \$161,550
50 Over \$323,200 but not over \$1,000,000 \$18,544 plus 6.85% of
51 \$2,155,350 \$1,000,000 excess over \$323,200
52 ~~[Over \$2,155,350 \$144,047 plus 8.82% of excess over~~
53 ~~\$2,155,350]~~
54 Over \$1,000,000 \$64,905 plus 10.75% of excess over
55 \$1,000,000

(viii) For taxable years beginning after two thousand twenty-four the following rates shall apply:

If the New York taxable income is:

Not over \$17,150

Over \$17,150 but not over \$23,600

Over \$23,600 but not over \$27,900

Over \$27,900 but not over \$161,550

Over \$161,550 but not over \$323,200

Over \$323,200 but not over

\$1,000,000

Over \$1,000,000

The tax is:

4% of the New York taxable income

\$686 plus 4.5% of excess over

\$17,150

\$976 plus 5.25% of excess over

\$23,600

\$1,202 plus 5.5% of excess over

\$27,900

\$8,553 plus 6.00% of excess over

\$161,550

\$18,252 plus 6.85% of

excess over \$323,200

\$64,613 plus 10.75% of excess over

\$1,000,000

§ 2. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, clauses (iv), (v), (vi) and (vii) as amended by section 2 of part P of chapter 59 of the laws of 2019, and clause (viii) as added by section 2 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(iv) For taxable years beginning in two thousand twenty-one the following rates shall apply:

If the New York taxable income is:

Not over \$12,800

Over \$12,800 but not over \$17,650

Over \$17,650 but not over \$20,900

Over \$20,900 but not over \$32,200

Over \$32,200 but not over \$107,650

Over \$107,650 but not over \$269,300

Over \$269,300 but not over

\$1,616,450 \$1,000,000

Over \$1,616,450

Over \$1,000,000

The tax is:

4% of the New York taxable income

\$512 plus 4.5% of excess over

\$12,800

\$730 plus 5.25% of excess over

\$17,650

\$901 plus 5.9% of excess over

\$20,900

\$1,568 plus 5.97% of excess over

\$32,200

\$6,072 plus 6.33% of excess over

\$107,650

\$16,304 plus 6.85% of

excess over \$269,300

~~\$108,584 plus 8.82% of excess over~~

~~\$1,616,450~~

\$66,357 plus 10.75% of excess over

\$1,000,000

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:

Not over \$12,800

Over \$12,800 but not over \$17,650

Over \$17,650 but not over \$20,900

Over \$20,900 but not over \$107,650

Over \$107,650 but not over \$269,300

Over \$269,300 but not over

\$1,616,450 \$1,000,000

Over \$1,616,450

The tax is:

4% of the New York taxable income

\$512 plus 4.5% of excess over

\$12,800

\$730 plus 5.25% of excess over

\$17,650

\$901 plus 5.85% of excess over

\$20,900

\$5,976 plus 6.25% of excess over

\$107,650

\$16,079 plus 6.85% of excess

over \$269,300

~~\$108,350 plus 8.82% of excess over~~

1		\$1,616,450]
2	<u>Over \$1,000,000</u>	<u>\$66,132 plus 10.75% of excess over</u>
3		<u>\$1,000,000</u>
4	(vi) For taxable years beginning in two thousand twenty-three the	
5	following rates shall apply:	
6	If the New York taxable income is:	The tax is:
7	Not over \$12,800	4% of the New York taxable income
8	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
9		\$12,800
10	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
11		\$17,650
12	Over \$20,900 but not over \$107,650	\$901 plus 5.73% of excess over
13		\$20,900
14	Over \$107,650 but not over \$269,300	\$5,872 plus 6.17% of excess over
15		\$107,650
16	Over \$269,300 but not over	\$15,845 plus 6.85% of excess
17	[\$1,616,450] <u>\$1,000,000</u>	over \$269,300
18	[Over \$1,616,450	\$108,125 plus 8.82% of excess over
19		\$1,616,450]
20	<u>Over \$1,000,000</u>	<u>\$65,898 plus 10.75% of excess over</u>
21		<u>\$1,000,000</u>
22	(vii) For taxable years beginning in two thousand twenty-four the	
23	following rates shall apply:	
24	If the New York taxable income is:	The tax is:
25	Not over \$12,800	4% of the New York taxable income
26	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
27		\$12,800
28	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
29		\$17,650
30	Over \$20,900 but not over \$107,650	\$901 plus 5.61% of excess over
31		\$20,900
32	Over \$107,650 but not over \$269,300	\$5,768 plus 6.09% of excess over
33		\$107,650
34	Over \$269,300 but not over	\$15,612 plus 6.85% of excess
35	[\$1,616,450] <u>\$1,000,000</u>	over \$269,300
36	[Over \$1,616,450	\$107,892 plus 8.82% of excess over
37		\$1,616,450]
38	<u>Over \$1,000,000</u>	<u>\$65,665 plus 10.75% of excess over</u>
39		<u>\$1,000,000</u>
40	(viii) For taxable years beginning after two thousand twenty-four the	
41	following rates shall apply:	
42	If the New York taxable income is:	The tax is:
43	Not over \$12,800	4% of the New York taxable income
44	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
45		\$12,800
46	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
47		\$17,650
48	Over \$20,900 but not over \$107,650	\$901 plus 5.5% of excess over
49		\$20,900
50	Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over
51		\$107,650
52	Over \$269,300 <u>but not over</u>	\$15,371 plus 6.85% of
53	<u>\$1,000,000</u>	excess over \$269,300
54	<u>Over \$1,000,000</u>	<u>\$65,424 plus 10.75% of excess over</u>
55		<u>\$1,000,000</u>

§ 3. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law, clauses (iv), (v), (vi) and (vii) as amended by section 3 of part P of chapter 59 of the laws of 2019, and clause (viii) as added by section 3 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

(iv) For taxable years beginning in two thousand twenty-one the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over \$8,500	4% of the New York taxable income
Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over \$8,500
Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over \$11,700
Over \$13,900 but not over \$21,400	\$600 plus 5.9% of excess over \$13,900
Over \$21,400 but not over \$80,650	\$1,042 plus 5.97% of excess over \$21,400
Over \$80,650 but not over \$215,400	\$4,579 plus 6.33% of excess over \$80,650
Over \$215,400 but not over	\$13,109 plus 6.85% of excess
[\$1,077,550] \$1,000,000	over \$215,400
[Over \$1,077,550	\$72,166 plus 8.82% of excess over
Over \$1,000,000	\$1,077,550]
	\$66,855 plus 10.75% of excess over
	\$1,000,000

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over \$8,500	4% of the New York taxable income
Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over \$8,500
Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over \$11,700
Over \$13,900 but not over \$80,650	\$600 plus 5.85% of excess over \$13,900
Over \$80,650 but not over \$215,400	\$4,504 plus 6.25% of excess over \$80,650
Over \$215,400 but not over	\$12,926 plus 6.85% of excess
[\$1,077,550] \$1,000,000	over \$215,400
[Over \$1,077,550	\$71,984 plus 8.82% of excess over
Over \$1,000,000	\$1,077,550]
	\$66,672 plus 10.75% of excess over
	\$1,000,000

(vi) For taxable years beginning in two thousand twenty-three the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over \$8,500	4% of the New York taxable income
Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over \$8,500
Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over \$11,700
Over \$13,900 but not over \$80,650	\$600 plus 5.73% of excess over \$13,900
Over \$80,650 but not over \$215,400	\$4,424 plus 6.17% of excess over \$80,650
Over \$215,400 but not over	\$12,738 plus 6.85% of excess

1	[\$1,077,550] <u>\$1,000,000</u>	over \$215,400
2	[Over \$1,077,550	\$71,796 plus 8.82% of excess over
3		\$1,077,550]
4	<u>Over \$1,000,000</u>	<u>\$66,484 plus 10.75% of excess over</u>
5		<u>\$1,000,000</u>
6	(vii) For taxable years beginning in two thousand twenty-four the	
7	following rates shall apply:	
8	If the New York taxable income is:	The tax is:
9	Not over \$8,500	4% of the New York taxable income
10	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
11		\$8,500
12	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
13		\$11,700
14	Over \$13,900 but not over \$80,650	\$600 plus 5.61% of excess over
15		\$13,900
16	Over \$80,650 but not over \$215,400	\$4,344 plus 6.09% of excess over
17		\$80,650
18	Over \$215,400 but not over	\$12,550 plus 6.85% of excess
19	[\$1,077,550] <u>\$1,000,000</u>	over \$215,400
20	[Over \$1,077,550	\$71,608 plus 8.82% of excess over
21		\$1,077,550]
22	<u>Over \$1,000,000</u>	<u>\$66,296 plus 10.75% of excess over</u>
23		<u>\$1,000,000</u>
24	(viii) For taxable years beginning after two thousand twenty-four the	
25	following rates shall apply:	
26	If the New York taxable income is:	The tax is:
27	Not over \$8,500	4% of the New York taxable income
28	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
29		\$8,500
30	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
31		\$11,700
32	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
33		\$13,900
34	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess over
35		\$80,650
36	Over \$215,400 <u>but not over</u>	\$12,356 plus 6.85% of
37	<u>\$1,000,000</u>	excess over \$215,400
38	<u>Over \$1,000,000</u>	<u>\$66,102 plus 10.75% of excess over</u>
39		<u>\$1,000,000</u>

40 § 4. Section 171-a of the tax law, as separately amended by chapters
 41 481 and 484 of the laws of 1981, is amended by adding a new subdivision
 42 3 to read as follows:

43 3. Notwithstanding subdivision one of this section or any other
 44 provision of law to the contrary, with regards to any increase in the
 45 taxes imposed pursuant to section six hundred one of this chapter
 46 attributable to the difference in the rate of such taxes for taxable
 47 years beginning in and after two thousand twenty-one and the rate of
 48 such taxes for taxable years beginning in two thousand twenty, such
 49 revenue shall be deposited into the state treasury to the credit of the
 50 general fund. The amount for administrative costs shall be determined by
 51 the commissioner to represent reasonable costs of the department in
 52 administering, collecting, determining, and distributing such taxes. Of
 53 the total revenue collected or received under such sections of this
 54 chapter, the comptroller shall retain in his or her hands such amount as
 55 the commissioner may determine to be necessary for refunds or reimburse-
 56 ments under such sections of this chapter out of which amount the comp-

1 troller shall pay any refunds or reimbursements to which taxpayers shall
2 be entitled under provisions of such sections. The commissioner and the
3 comptroller shall maintain a system of accounts showing the amount of
4 revenue collected or received from each of the taxes imposed by such
5 sections.

6 § 5. This act shall take effect immediately and shall apply to taxable
7 years beginning on and after January 1, 2021.