

STATE OF NEW YORK

1961

2025-2026 Regular Sessions

IN ASSEMBLY

January 14, 2025

Introduced by M. of A. MAHER, E. BROWN, BRABENEC, McDONOUGH -- read once
and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to creating a certified transi-
tional tax credit; and providing for the repeal of such provisions
upon expiration thereof

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

1 Section 1. The tax law is amended by adding a new section 50 to read
2 as follows:

3 § 50. Certified transitional tax credit. (a) Allowance of credit. A
4 taxpayer, who is subject to tax under article nine, nine-A, or twenty-
5 two of this chapter shall be allowed a refundable credit against such
6 tax to be computed as provided in this section, for the tax imposed by
7 this article for taxable years after January first, two thousand twen-
8 ty-six.

9 (b) Value of credit. The amount of such credit shall be equal to twen-
10 ty-five percent of the total pounds of goods sold under an eligible
11 program under subdivision (c) of this section, multiplied by one-half.

12 (c) Eligible programs. Taxpayers that wish to claim this credit must
13 demonstrate their agricultural products were sold during a period of
14 transition into USDA organic certification, under the Whole Foods Market
15 IP. L.P. "responsibly grown" labelling program, or under the QAI and
16 Hesco, Inc. "certified transitional" label.

17 (d) Application of credit. The credit allowed under this section for
18 any taxable year shall not reduce the tax due for such year to less than
19 the minimum tax fixed by this article. However, if the amount of credit
20 allowed under this section for any taxable year reduces the tax to such
21 amount, any amount of credit thus not deductible in such taxable year
22 shall be treated as an overpayment of tax to be credited or refunded in
23 accordance with the provisions of section one thousand eighty-six of

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

LBD04816-01-5

1 this chapter. Except as provided in subsection (c) of section one thou-
2 sand eighty-eight of this chapter, no interest shall be paid thereon.

3 § 2. The tax law is amended by adding a new section 187-s to read as
4 follows:

5 § 187-s. Certified transitional tax credit. (a) Allowance of credit. A
6 taxpayer, who is subject to tax under this article, article nine-A or
7 twenty-two of this chapter shall be allowed a refundable credit against
8 such tax to be computed as provided in this section, for the tax imposed
9 by this article for taxable years after January first, two thousand
10 twenty-six.

11 (b) Value of credit. The amount of such credit shall be equal to twen-
12 ty-five percent of the total pounds of goods sold under an eligible
13 program under subdivision (c) of this section, multiplied by one-half.

14 (c) Eligible programs. Taxpayers that wish to claim this credit must
15 demonstrate their agricultural products were sold during a period of
16 transition into USDA organic certification, under the Whole Foods Market
17 IP. L.P. "responsibly grown" labelling program, or under the QAI and
18 Hesco, Inc. "certified transitional" label.

19 (d) Application of credit. The credit allowed under this section for
20 any taxable year shall not reduce the tax due for such year to less than
21 the minimum tax fixed by this article. However, if the amount of credit
22 allowed under this section for any taxable year reduces the tax to such
23 amount, any amount of credit thus not deductible in such taxable year
24 shall be treated as an overpayment of tax to be credited or refunded in
25 accordance with the provisions of section one thousand eighty-six of
26 this chapter. Except as provided in subsection (c) of section one thou-
27 sand eighty-eight of this chapter, no interest shall be paid thereon.

28 § 3. Section 210-B of the tax law is amended by adding a new subdivi-
29 sion 61 to read as follows:

30 61. Certified transitional tax credit. (a) Allowance of credit. A
31 taxpayer, who is subject to tax under article nine, nine-A, or twenty-
32 two of this chapter shall be allowed a refundable credit against such
33 tax to be computed as provided in this subdivision, for the tax imposed
34 by this article for taxable years after January first, two thousand
35 twenty-six.

36 (b) Value of credit. The amount of such credit shall be equal to twen-
37 ty-five percent of the total pounds of goods sold under an eligible
38 program under paragraph (c) of this subdivision, multiplied by one-half.

39 (c) Eligible programs. Taxpayers that wish to claim this credit must
40 demonstrate their agricultural products were sold during a period of
41 transition into USDA organic certification, under the Whole Foods Market
42 IP. L.P. "responsibly grown" labelling program, or under the QAI and
43 Hesco, Inc. "certified transitional" label.

44 (d) Application of credit. The credit allowed under this subdivision
45 for any taxable year shall not reduce the tax due for such year to less
46 than the minimum tax fixed by this article. However, if the amount of
47 credit allowed under this subdivision for any taxable year reduces the
48 tax to such amount, any amount of credit thus not deductible in such
49 taxable year shall be treated as an overpayment of tax to be credited or
50 refunded in accordance with the provisions of section one thousand
51 eighty-six of this chapter. Except as provided in subsection (c) of
52 section one thousand eighty-eight of this chapter, no interest shall be
53 paid thereon.

54 § 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
55 of the tax law is amended by adding a new clause (lii) to read as
56 follows:

1 (lii) Certified transitional Amount of credit under
2 tax credit under section subdivision sixty-one of
3 fifty section two hundred ten-B
4 § 5. This act shall take effect January 1, 2026, and shall apply to
5 taxable years beginning on or after such date, and shall expire January
6 1, 2032 when upon such date the provisions of this act shall be deemed
7 repealed. Effective immediately, the addition, amendment and/or repeal
8 of any rule or regulation by the department of agriculture and markets,
9 in conjunction with the department of taxation and finance that is
10 necessary for the implementation of this act on its effective date are
11 authorized to be made and completed on or before such effective date.