

STATE OF NEW YORK

3221

2025-2026 Regular Sessions

IN ASSEMBLY

January 23, 2025

Introduced by M. of A. SIMPSON, SMULLEN, BRABENEC, GANDOLFO, DURSO, ANGELINO, GALLAHAN, KIM, BLANKENBUSH, MAHER, DeSTEFANO, LEMONDES, BENDETT, HAWLEY -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to creating a tax credit for small businesses that sell a certain percentage of products produced in New York state

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

1 Section 1. Section 210-B of the tax law is amended by adding a new
2 subdivision 61 to read as follows:

3 61. Credit for small businesses that sell New York state produced
4 products. (a) A small business shall be allowed a credit against the tax
5 imposed by this article if such small business sells a certain percent-
6 age of qualified products. Such credit shall be computed according to
7 the following schedule:

8 (i) Credit of one thousand dollars when five to nine percent of a
9 qualifying small business' total sales are attributed to the sale of
10 qualifying products.

11 (ii) Credit of two thousand dollars when ten to twenty-four percent of
12 a qualifying small business' total sales are attributed to the sale of
13 qualifying products.

14 (iii) Credit of five thousand dollars when twenty-five percent or more
15 of a qualifying small business' total sales are attributed to the sale
16 of qualifying products.

17 (b) For the purposes of this subdivision, the term:

18 (i) "Small business" shall mean a business which is an independently
19 or privately-owned cafe, restaurant, eatery, bar, pub, brewery, distil-
20 lery, orchard, food truck, retail store, farm stand, hotel, or motel.

21 (ii) "Qualified product" shall mean a product which is grown, brewed
22 or distilled in New York state and such products shall include:

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

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1 (A) beer, wine, spirits, and ciders;

2 (B) agricultural ingredients, including but not limited to wheat,
3 barley, hops, apples, pumpkins, corn, cabbage, berries, soybeans, maple,
4 or any item used for menu items;

5 (C) dairy products, including but not limited to milk, cream, butter,
6 and cheese; or

7 (D) meat products, including but not limited to beef, chicken, and
8 pork.

9 (c) The credit allowed under this subdivision for the taxable year
10 shall not reduce the tax due for such year to less than the amount
11 prescribed in paragraph (d) of subdivision one of section two hundred
12 ten of this article. However, if the amount of credit allowed under this
13 subdivision for the taxable year reduces the tax to such amount or if
14 the taxpayer otherwise pays tax based on the fixed dollar minimum
15 amount, any amount of credit thus not deductible in such taxable year
16 shall be treated as an overpayment of tax to be credited or refunded in
17 accordance with the provisions of section one thousand eighty-six of
18 this chapter. Provided, however, the provisions of subsection (c) of
19 section one thousand eighty-eight of this chapter notwithstanding, no
20 interest shall be paid thereon.

21 § 2. Section 606 of the tax law is amended by adding a new subsection
22 (qqq) to read as follows:

23 (qqq) Credit for small businesses that sell New York state produced
24 products. (1) A small business shall be allowed a credit against the tax
25 imposed by this article if such small business sells a certain percent-
26 age of qualified products. Such credit shall be computed according to
27 the following schedule:

28 (A) Credit of one thousand dollars when five to nine percent of a
29 qualifying small business' total sales are attributed to the sale of
30 qualifying products.

31 (B) Credit of two thousand dollars when ten to twenty-four percent of
32 a qualifying small business' total sales are attributed to the sale of
33 qualifying products.

34 (C) Credit of five thousand dollars when twenty-five percent or more
35 of a qualifying small business' total sales are attributed to the sale
36 of qualifying products.

37 (2) For the purposes of this subsection, the term:

38 (A) "Small business" shall mean a business which is an independently
39 or privately-owned cafe, restaurant, eatery, bar, pub, brewery, distil-
40 lery, orchard, food truck, retail store, farm stand, hotel, or motel.

41 (B) "Qualified product" shall mean a product which is grown, brewed or
42 distilled in New York state and such products shall include:

43 (i) beer, wine, spirits, and ciders;

44 (ii) agricultural ingredients, including but not limited to wheat,
45 barley, hops, apples, pumpkins, corn, cabbage, berries, soybeans, maple,
46 or any item used for menu items;

47 (iii) dairy products, including but not limited to milk, cream,
48 butter, and cheese; or

49 (iv) meat products, including but not limited to beef, chicken, and
50 pork.

51 (3) If the amount of the credit allowed under this subsection for any
52 taxable year shall exceed the taxpayer's tax for such year, the excess
53 shall be treated as an overpayment of tax to be credited or refunded in
54 accordance with the provisions of section six hundred eighty-six of this
55 article, provided, however, that no interest shall be paid thereon.

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

4 <u>(lii) Credit for small businesses</u>	<u>Amount of credit under</u>
5 <u>that sell New York state produced</u>	<u>subdivision sixty-one of</u>
6 <u>products under subsection (ggg)</u>	<u>section two hundred ten-B</u>

7 § 4. This act shall take effect immediately and shall apply to taxable
8 years beginning on or after January 1, 2026.