

STATE OF NEW YORK

3943

2025-2026 Regular Sessions

IN SENATE

January 30, 2025

Introduced by Sen. GOUNARDES -- 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 computation of franchise tax on taxpayers with a business income base exceeding five million dollars

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

1 Section 1. The opening paragraph of paragraph (a) of subdivision 1 of
2 section 210 of the tax law, as amended by section 1 of subpart A of part
3 I of chapter 59 of the laws of 2023, is amended to read as follows:

4 For taxable years beginning before January first, two thousand
5 sixteen, the amount prescribed by this paragraph shall be computed at
6 the rate of seven and one-tenth percent of the taxpayer's business
7 income base. For taxable years beginning on or after January first, two
8 thousand sixteen, the amount prescribed by this paragraph shall be six
9 and one-half percent of the taxpayer's business income base. For taxable
10 years beginning on or after January first, two thousand twenty-one and
11 before January first, two thousand [~~twenty-seven~~ twenty-five for any
12 taxpayer with a business income base for the taxable year of more than
13 five million dollars, the amount prescribed by this paragraph shall be
14 seven and one-quarter percent of the taxpayer's business income base.

15 For taxable years beginning on or after January first, two thousand
16 twenty-five for any taxpayer with a business income base for the taxable
17 year of more than five million dollars, the amount prescribed by this
18 paragraph shall be nine percent of the taxpayer's business income base.

19 The taxpayer's business income base shall mean the portion of the
20 taxpayer's business income apportioned within the state as hereinafter
21 provided. However, in the case of a small business taxpayer, as defined
22 in paragraph (f) of this subdivision, the amount prescribed by this
23 paragraph shall be computed pursuant to subparagraph (iv) of this para-
24 graph and in the case of a manufacturer, as defined in subparagraph (vi)

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

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1 of this paragraph, the amount prescribed by this paragraph shall be
2 computed pursuant to subparagraph (vi) of this paragraph, and, in the
3 case of a qualified emerging technology company, as defined in subpara-
4 graph (vii) of this paragraph, the amount prescribed by this paragraph
5 shall be computed pursuant to subparagraph (vii) of this paragraph.
6 § 2. This act shall take effect immediately.