

10504

I N   A S S E M B L Y

April 2, 2010

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Introduced by M. of A. MAGEE -- read once and referred to the Committee  
on Ways and Means

AN ACT to amend the tax law, in relation to including payments from the  
state's farmland protection program as federal gross income from farm-  
ing for otherwise eligible farmers

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

1     Section 1. Paragraph (b) of subdivision 22 of section 210 of the tax  
2     law, as amended by chapter 527 of the laws of 2003, is amended to read  
3     as follows:  
4     (b) Eligible farmer. For purposes of this subdivision, the term  
5     "eligible farmer" means a taxpayer whose federal gross income from farm-  
6     ing for the taxable year is at least two-thirds of excess federal gross  
7     income. The term "eligible farmer" also includes a corporation other  
8     than the taxpayer of record for qualified agricultural land which has  
9     paid the school district property taxes on such land pursuant to a  
10    contract for the future purchase of such land; provided that such corpo-  
11    ration has a federal gross income from farming for the taxable year  
12    which is at least two-thirds of excess federal gross income; and  
13    provided further that, in determining such income eligibility, a taxpay-  
14    er may, for any taxable year, use the average of such federal gross  
15    income from farming for that taxable year and such income for the two  
16    consecutive taxable years immediately preceding such taxable year.  
17    Excess federal gross income means the amount of federal gross income  
18    from all sources for the taxable year in excess of thirty thousand  
19    dollars. FOR THE PURPOSES OF THIS PARAGRAPH, PAYMENTS FROM THE STATE'S  
20    FARMLAND PROTECTION PROGRAM, ADMINISTERED BY THE DEPARTMENT OF AGRICUL-  
21    TURE AND MARKETS, SHALL BE INCLUDED AS FEDERAL GROSS INCOME FROM FARMING  
22    FOR OTHERWISE ELIGIBLE FARMERS.  
23    S 2. Paragraph 2 of subsection (n) of section 606 of the tax law, as  
24    amended by chapter 527 of the laws of 2003, is amended to read as  
25    follows:  
26    (2) Eligible farmer. For purposes of this subsection, the term "eligi-  
27    ble farmer" means a taxpayer whose federal gross income from farming for

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

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1 the taxable year is at least two-thirds of excess federal gross income.  
2 The term "eligible farmer" also includes an individual other than the  
3 taxpayer of record for qualified agricultural land who has paid the  
4 school district property taxes on such land pursuant to a contract for  
5 the future purchase of such land; provided that such individual has a  
6 federal gross income from farming for the taxable year which is at least  
7 two-thirds of excess federal gross income; and provided further that, in  
8 determining such income eligibility, a taxpayer may, for any taxable  
9 year, use the average of such federal gross income from farming for that  
10 taxable year and such income for the two consecutive taxable years imme-  
11 diately preceding such taxable year. Excess federal gross income means  
12 the amount of federal gross income from all sources for the taxable year  
13 reduced by the sum (not to exceed thirty thousand dollars) of those  
14 items included in federal gross income which consist of (i) earned  
15 income, (ii) pension payments, including social security payments, (iii)  
16 interest, and (iv) dividends. For purposes of this paragraph, the term  
17 "earned income" shall mean wages, salaries, tips and other employee  
18 compensation, and those items of gross income which are includible in  
19 the computation of net earnings from self-employment. FOR THE PURPOSES  
20 OF THIS PARAGRAPH, PAYMENTS FROM THE STATE'S FARMLAND PROTECTION  
21 PROGRAM, ADMINISTERED BY THE DEPARTMENT OF AGRICULTURE AND MARKETS,  
22 SHALL BE INCLUDED AS FEDERAL GROSS INCOME FROM FARMING FOR OTHERWISE  
23 ELIGIBLE FARMERS.

24 S 3. This act shall take effect immediately and shall apply to taxable  
25 years beginning on or after January 1, 2011.