S T A T E O F N E W Y O R K

7546

2009-2010 Regular Sessions

I N A S S E M B L Y

April 14, 2009

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

AN ACT to amend the tax law, in relation to providing a tax credit to small businesses that purchase and install a security system

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

Section 1. Section 210 of the tax law is amended by adding a new subdivision 24-a to read as follows:

24-A. CREDIT FOR SMALL BUSINESS PURCHASE OF SECURITY SYSTEM. (A) A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE, FOR THE PURCHASE, OTHER THAN FOR RESALE, OF A SECURITY SYSTEM.

(B) FOR THE PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(1) "SECURITY SYSTEM" IS DEFINED AS A SYSTEM INSTALLED TO DETECT INTRUSION, BREAK-IN, MOVEMENT, SOUND OR FIRE.

(2) "SMALL BUSINESS" MEANS A NEW YORK TAXPAYER AS DEFINED IN PARAGRAPH (F) OF SUBDIVISION ONE OF THIS SECTION WHO HAS FEWER THAN FIFTY EMPLOYEES IN THE INITIAL TAXABLE YEAR FOR WHICH THE CREDIT IS CLAIMED.

(C) THE AMOUNT OF CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER FOR THE PURCHASE AND INSTALLATION OF SUCH SECURITY SYSTEM DURING THE TAXABLE YEAR OF PURCHASE, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH PURCHASE AND INSTALLATION. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVISION ONE OF THIS SECTION.

S 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law, as amended by section 2 of part ZZ-1 of chapter 57 of the laws of 2008, is amended to read as follows:

(B) shall be treated as the owner of a new business with respect to such share if the corporation qualifies as a new business pursuant to

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

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paragraph (j) of subdivision twelve of section two hundred ten of this chapter.

With respect to the following credit under this section:	The corporation's credit base under section two hundred ten or section fourteen hundred fifty-six of this chapter is:
(I) Investment tax credit under subsection (a)	Investment credit base or qualified rehabilitation expenditures under subdivision twelve of section two hundred ten
(II) Empire zone investment tax credit under subsection (j)	Cost or other basis under subdivision twelve-B of section two hundred ten
(III) Empire zone wage tax credit under subsection (k)	Eligible wages under subdivision nineteen of section two hundred ten or subsection (e) of section fourteen hundred fifty-six
(IV) Empire zone capital tax credit under subsection (l)	Qualified investments and contributions under subdivision twenty of section two hundred ten or subsection (d) of section fourteen hundred fifty-six
(V) Agricultural property tax credit under subsection (n)	Allowable school district property taxes under subdivision twenty-two of section two hundred ten
(VI) Credit for employment of persons with disabilities under subsection (o)	Qualified first-year wages or qualified second-year wages under subdivision twenty-three of section two hundred ten or subsection (f) of section fourteen hundred fifty-six
(VII) Employment incentive credit under subsection (a-1)	Applicable investment credit base under subdivision twelve-D of section two hundred ten
(VIII) Empire zone employment incentive credit under subsection (j-1)	Applicable investment credit under subdivision twelve-C of section two hundred ten
(IX) Alternative fuels credit under subsection (p)	Cost under subdivision twenty-four of section two hundred ten
(X) Qualified emerging technology company employment credit under subsection (q)	Applicable credit base under subdivision twelve-E of section two hundred ten

(XI) Qualified emerging technology company capital tax credit under subsection (r)	Qualified investments under subdivision twelve-F of section two hundred ten
(XII) Credit for purchase of an automated external defibrillator under subsection (s)	Cost of an automated external defibrillator under subdivision twenty-five of section two hundred ten or subsection (j) of section fourteen hundred fifty-six
(XIII) Low-income housing credit under subsection (x)	Credit amount under subdivision thirty of section two hundred ten or subsection (l) of section fourteen hundred fifty-six
(XIV) Credit for transportation improvement contributions under subsection (z)	Amount of credit under subdivision thirty-two of section two hundred ten or subsection (n) of section fourteen hundred fifty-six
(XV) QEZE credit for real property taxes under subsection (bb)	Amount of credit under subdivision twenty-seven of section two hundred ten or subsection (o) of section fourteen hundred fifty-six
(XVI) QEZE tax reduction credit under subsection (cc)	Amount of benefit period factor, employment increase factor and zone allocation factor (without regard to pro ration) under subdivision twenty-eight of section two hundred ten or subsection (p) of section fourteen hundred fifty-six and amount of tax factor as determined under subdivision (f) of section sixteen
(XVII) Green building credit under subsection (y)	Amount of green building credit under subdivision thirty-one of section two hundred ten or subsection (m) of section fourteen hundred fifty-six
(XVIII) Credit for long-term care insurance premiums under subsection (aa)	Qualified costs under subdivision twenty-five-a of section two hundred ten or subsection (k) of section fourteen hundred fifty-six
(XIX) Brownfield redevelopment credit under subsection (dd)	Amount of credit under subdivision thirty-three of section two hundred ten or subsection (q) of section fourteen hundred fifty-six
(XX) Remediated brownfield credit for real property taxes for qualified sites under subsection (ee)	Amount of credit under subdivision thirty-four of section two hundred ten or subsection (r) of section fourteen hundred fifty-six

(XXI) Environmental remediation insurance credit under subsection (ff)	Amount of credit under subdivision thirty-five of section two hundred ten or subsection (s) of section fourteen hundred fifty-six
(XXII) Empire state film production credit under subsection (gg)	Amount of credit for qualified production costs in production of a qualified film under subdivision thirty-six of section two hundred ten
(XXIII) Qualified emerging technology company facilities, operations and training credit under subsection (nn)	Qualifying expenditures and development activities under subdivision twelve-G of section two hundred ten
(XXIV) Security training tax credit under subsection (ii)	Amount of credit under subdivision thirty-seven of section two hundred ten or under subsection (t) of section fourteen hundred fifty-six
(XXV) Credit for qualified fuel cell electric generating equipment expenditures under subsection (g-2)	Amount of credit under subdivision thirty-seven of section two hundred ten or subsection (t) of section fourteen hundred fifty-six
(XXVI) Empire state commercial production credit under subsection (jj)	Amount of credit for qualified production costs in production of a qualified commercial under subdivision thirty-eight of section two hundred ten
(XXVII) Biofuel production tax credit under subsection (jj)	Amount of credit under subdivision thirty-eight of section two hundred ten
(XXVIII) Clean heating fuel credit under subsection (mm)	Amount of credit under subdivision thirty-nine of section two hundred ten
(XXIX) Credit for rehabilitation of historic properties under subsection (oo)	Amount of credit under subdivision forty of [subsection] SECTION two hundred ten
(XXX) Credit for companies who provide transportation to individuals with disabilities under subsection (oo)	Amount of credit under subdivision forty of section two hundred ten
(XXXI) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF A SECURITY SYSTEM UNDER SUBSECTION (S-1)	PURCHASE AND INSTALLATION COSTS OF A SECURITY SYSTEM UNDER SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OR SUBSECTION (J-1) OF SECTION FOURTEEN HUNDRED

FIFTY-SIX

S 3. Section 606 of the tax law is amended by adding a new subsection (s-1) to read as follows:

(S-1) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF A SECURITY SYSTEM. A TAXPAYER SHALL BE ALLOWED A CREDIT AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE AND INSTALLATION OF A SECURITY SYSTEM, AS SUCH TERM IS DEFINED IN SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OF THIS CHAPTER. THE AMOUNT OF CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER OF THE PURCHASE AND INSTALLATION OF THE SECURITY SYSTEM DURING THE TAXABLE YEAR, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH SYSTEM PURCHASED AND INSTALLED.

S 4. Section 1456 of the tax law is amended by adding a new subsection (j-1) to read as follows:

(J-1) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF A SECURITY SYSTEM. A TAXPAYER SHALL BE ALLOWED A CREDIT AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE AND INSTALLATION OF A SECURITY SYSTEM, AS SUCH TERM IS DEFINED IN SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OF THIS CHAPTER. THE AMOUNT OF THE CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER OF THE PURCHASE AND INSTALLATION OF SUCH SECURITY SYSTEM DURING THE TAXABLE YEAR, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH SYSTEM PURCHASED AND INSTALLED. THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED FIFTY-FIVE OF THIS ARTICLE.

S 5. Section 1511 of the tax law is amended by adding a new subdivision (l-1) to read as follows:

(L-1) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF SECURITY SYSTEM. A TAXPAYER SHALL BE ALLOWED A CREDIT AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE AND INSTALLATION OF A SECURITY SYSTEM, AS SUCH TERM IS DEFINED IN SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OF THIS CHAPTER. THE AMOUNT OF THE CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER OF THE PURCHASE AND INSTALLATION OF SUCH SYSTEM DURING THE TAXABLE YEAR, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH SYSTEM PURCHASED AND INSTALLED. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM FIXED BY PARAGRAPH FOUR OF SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE.

S 6. This act shall take effect immediately and shall apply to taxable years commencing on or after January 1, 2011; provided, however that the empire state film production credit under subsection (gg), the empire state commercial production credit under subsection (jj) and the credit for companies who provide transportation to individuals with disabilities under subsection (oo) of section 606 of the tax law contained in section two of this act shall expire on the same date as provided in section 9 of part P of chapter 60 of the laws of 2004, as amended, section 10 of part V of chapter 62 of the laws of 2006, as amended and section 5 of chapter 522 of the laws of 2006, as amended, respectively.