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

3160

2009-2010 Regular Sessions

I N S E N A T E

March 12, 2009

Introduced by Sen. STACHOWSKI -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to banking corporations or bank holding companies that directly or indirectly own or control over fifty percent of voting stock of the captive REIT

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

Section 1. Subparagraph (v) of paragraph 2 of subsection (f) of section 1462 of the tax law, as added by section 10 of part FF-1 of chapter 57 of the laws of 2008, is amended by adding a new clause (H) to read as follows:

(H) IF THE BANKING CORPORATION OR BANK HOLDING COMPANY THAT DIRECTLY OR INDIRECTLY OWNS OR CONTROLS OVER FIFTY PERCENT OF THE VOTING STOCK OF THE CAPTIVE REIT AND IS THE CLOSEST CONTROLLING STOCKHOLDER OF THE CAPTIVE REIT IS A MEMBER OF A COMBINED GROUP OF BANKING CORPORATIONS INCLUDED IN A COMBINED RETURN, AND AT LEAST ONE OF THE CORPORATIONS IN THE COMBINED GROUP ON JANUARY FIRST, TWO THOUSAND EIGHT HAD FACILITIES IN AT LEAST ONE EMPIRE ZONE OR FORMER EMPIRE ZONE AND IN AT LEAST ONE RENEWAL COMMUNITY OR FORMER RENEWAL COMMUNITY AS DESIGNATED BY THE FEDERAL SECRETARY OF HOUSING AND URBAN DEVELOPMENT, THEN THE CAPTIVE REIT MUST NOT BE INCLUDED IN A COMBINED RETURN UNDER THIS ARTICLE, ARTICLE NINE-A OR ARTICLE THIRTY-THREE OF THIS CHAPTER. IN THAT INSTANCE, THE CAPTIVE REIT IS SUBJECT TO THE PROVISIONS OF SUBDIVISION FIVE OF SECTION TWO HUNDRED NINE OF THIS CHAPTER.

S 2. This act shall take effect immediately, provided, however, that the amendments to subparagraph (v) of paragraph 2 of subsection (f) of section 1462 of the tax law made by section one of this act shall not affect the repeal of such subparagraph and shall be deemed repealed therewith.

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

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