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

3041

2009-2010 Regular Sessions

I N A S S E M B L Y

January 22, 2009

Introduced by M. of A. KOLB, TEDISCO, BUTLER, AMEDORE, BACALLES, CORWIN -- Multi-Sponsored by -- M. of A. ALFANO, BALL, BARCLAY, BARRA, BOYLE, BURLING, CALHOUN, CONTE, CROUCH, DUPREY, ERRIGO, FINCH, FITZPATRICK, GIGLIO, HAWLEY, HAYES, P. LOPEZ, McDONOUGH, McKEVITT, MILLER, MOLINARO, OAKS, O'MARA, QUINN, RABBITT, RAIA, REILICH, SALADINO, SAYWARD, SCOZZAFAVA, THIELE, TOBACCO, TOWNSEND, WALKER -- read once and referred to the Committee on Economic Development, Job Creation, Commerce and Industry

AN ACT to amend the economic development law, in relation to establishing an incentive program for manufacturers that maintain or increase employment, and to amend the tax law, in relation to establishing tax credit incentives for manufacturing firms enrolled in the program

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

Section 1. Short title. This act shall be known and may be cited as the "manufacturing preservation and enhancement act".

S 2. Legislative findings and intent. The legislature finds and determines that historically, manufacturing firms have helped to build our state. Today, manufacturing jobs are an essential part of the state's economy. Accordingly, the state should offer programs that foster growth in this important sector of the state economy. The purpose of this legislation is to establish a tax incentive program that would provide tax credits to manufacturing firms that create new jobs in the manufacturing sector over a specified period of time.

S 3. The economic development law is amended by adding a new article 15 to read as follows:

ARTICLE 15

MANUFACTURING PRESERVATION AND ENHANCEMENT ACT

SECTION 270. DEFINITIONS.
271. MANUFACTURING PRESERVATION AND ENHANCEMENT PROGRAM.
272. SPECIAL PROVISIONS RELATING TO CERTIFIED MANUFACTURERS.

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

LBD05083-01-9

273. REPORTING.

S 270. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING WORDS AND TERMS SHALL HAVE THE FOLLOWING MEANINGS UNLESS THE CONTENT SHALL INDICATE ANOTHER OR DIFFERENT MEANING OR INTENT:

1. "PROGRAM" SHALL MEAN THE MANUFACTURING PRESERVATION AND ENHANCEMENT PROGRAM ESTABLISHED PURSUANT TO THIS ARTICLE.

2. "MANUFACTURING FIRM" SHALL MEAN AN ENTERPRISE, INCLUDING CORPORATE ENTITIES, PARTNERSHIPS AND SOLE PROPRIETORS, ENGAGED IN THE BUSINESS OF PRODUCTION OF GOODS AND PRODUCTS FROM RAW MATERIALS.

3. "BENCHMARK" SHALL MEAN A SPECIFIC NUMBER OF ELIGIBLE NEW JOBS CREATED IN THE STATE PURSUANT TO THE PROGRAM.

4. "MEI" SHALL MEAN THE MANUFACTURING ENHANCEMENT INCENTIVE PROGRAM.

S 271. MANUFACTURING PRESERVATION AND ENHANCEMENT PROGRAM. 1. THERE IS HEREBY CREATED A MANUFACTURING PRESERVATION AND ENHANCEMENT PROGRAM WITHIN THE DEPARTMENT TO PROVIDE TECHNICAL AND FINANCIAL ASSISTANCE IN THE FORM OF TAX INCENTIVES TO MANUFACTURING FIRMS THAT MEET SPECIFIED BENCHMARKS IN JOB CREATION AS ESTABLISHED BY THE COMMISSIONER.

2. THE COMMISSIONER SHALL DETERMINE ELIGIBILITY REQUIREMENTS FOR PARTICIPATION IN THE PROGRAM, PROVIDED, HOWEVER, THAT SUCH REQUIREMENTS SHALL INCLUDE THE FOLLOWING:

(A) AN APPLICANT TO THE PROGRAM MAY NOT PARTICIPATE IN THE PROGRAM IF DESIGNATED AS A CERTIFIED BUSINESS LOCATED IN AN EMPIRE ZONE CREATED PURSUANT TO ARTICLE EIGHTEEN-B OF THE GENERAL MUNICIPAL LAW; AND

(B) AN APPLICANT THAT HAS PREVIOUSLY PARTICIPATED IN THE PROGRAM MAY NOT REAPPLY FOR PARTICIPATION IN THE PROGRAM UNLESS IT CAN DOCUMENT THAT AT THE TIME OF ITS REAPPLICATION FOR PARTICIPATION, IT HAS MAINTAINED A LEVEL OF EMPLOYMENT AT LEAST AS GREAT AS THE HIGHEST LEVEL REQUIRED DURING ITS PREVIOUS PARTICIPATION IN THE PROGRAM.

3. APPLICATIONS FOR PARTICIPATION IN THE MEI SHALL BE SUBMITTED BY EACH MANUFACTURING FIRM SEEKING TO PARTICIPATE IN THE PROGRAM, AND SHALL BE IN THE FORM AND CONTAIN SUCH INFORMATION, EXHIBITS AND SUPPORTING DATA AS THE COMMISSIONER MAY PRESCRIBE. NO APPLICATIONS FOR PARTICIPATION SHALL BE ACCEPTED AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND SIXTEEN.

4. MANUFACTURING FIRMS INTERESTED IN PARTICIPATING IN THE MEI SHALL SUBMIT AN APPLICATION TO THE PROGRAM. THE COMMISSIONER SHALL REVIEW ALL APPLICATIONS FOR PARTICIPATION IN THE PROGRAM FOR ELIGIBILITY AND SHALL REGISTER ELIGIBLE APPLICANTS. THE COMMISSIONER SHALL PROVIDE EACH REGISTERED APPLICANT WITH BENCHMARKS IN JOB CREATION THAT MUST BE ACHIEVED BY THE REGISTERED APPLICANT OVER THE FOLLOWING FIVE YEARS. SUCH BENCHMARKS SHALL BE CONSISTENT WITH REGULATIONS TO BE PRESCRIBED BY THE COMMISSIONER. ANNUALLY, EACH REGISTERED APPLICANT SHALL SUBMIT TO THE COMMISSIONER A REGISTRATION STATEMENT, TOGETHER WITH SUCH INFORMATION, EXHIBITS AND SUPPORTING DATA AS THE COMMISSIONER MAY REQUIRE. UPON SUBMISSION OF THE FIFTH ANNUAL REGISTRATION STATEMENT, THE COMMISSIONER SHALL REVIEW THE REGISTERED APPLICANT'S FILE FOR ELIGIBILITY FOR THE TAX INCENTIVES. IF THE REGISTERED APPLICANT HAS MET THE REQUIRED BENCHMARKS IN JOB CREATION, THE COMMISSIONER SHALL PROVIDE A CERTIFICATE, VALID FOR THE SUCCEEDING TWO TAX YEARS, CERTIFYING THAT THE REGISTERED APPLICANT IS ELIGIBLE FOR TAX CREDITS PURSUANT TO THIS ARTICLE. THE MEI CERTIFICATE SHALL INCLUDE A DESCRIPTION OF THE PROPERTY ELIGIBLE FOR THE PROPERTY TAX BENEFIT AND SHALL SPECIFY THE EMPLOYMENT LEVEL AND TOTAL AMOUNT OF EMPLOYEE GROSS SALARY ELIGIBLE FOR THE WAGE CREDIT.

S 272. SPECIAL PROVISIONS RELATING TO CERTIFIED MANUFACTURERS. DURING THE TWO-YEAR CERTIFICATION PERIOD, CERTIFIED MANUFACTURING FIRMS SHALL BE ELIGIBLE TO RECEIVE THE FOLLOWING TAX CREDITS:

1. AN MEI PROPERTY TAX CREDIT, WHICH SHALL BE COMPUTED PURSUANT TO SECTION SEVEN HUNDRED OF THE TAX LAW;

2. AN MEI WAGE CREDIT, WHICH SHALL BE COMPUTED PURSUANT TO SECTION SEVEN HUNDRED ONE OF THE TAX LAW; AND

3. AN MEI ENERGY CREDIT, WHICH SHALL BE COMPUTED PURSUANT TO SECTION SEVEN HUNDRED TWO OF THE TAX LAW.

S 273. REPORTING. THE COMMISSIONER SHALL, ON OR BEFORE SEPTEMBER FIRST, TWO THOUSAND ELEVEN, AND ANNUALLY THEREAFTER, SUBMIT A REPORT TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY AND THE MINORITY LEADERS OF THE SENATE AND THE ASSEMBLY ON THE OPERATION AND ACCOMPLISHMENTS OF THE PROGRAM PROVIDED FOR PURSUANT TO THIS ARTICLE.

S 4. The tax law is amended by adding a new article 23 to read as follows:

ARTICLE 23

MANUFACTURING PRESERVATION AND ENHANCEMENT ACT

SECTION 700. MEI PROPERTY TAX CREDIT.
701. MEI WAGE TAX CREDIT.
702. MEI ENERGY TAX CREDIT.

S 700. MEI PROPERTY TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER RECEIVING AN MEI CERTIFICATE ISSUED AS DESCRIBED IN ARTICLE ELEVEN-A OF THE ECONOMIC DEVELOPMENT LAW, AND THAT OR WHO IS SUBJECT TO PROPERTY TAXES UNDER ARTICLE NINE-A OR ARTICLE TWENTY-TWO OF THIS CHAPTER, SHALL BE ALLOWED A CREDIT AGAINST THE PROPERTY TAXES ASSESSED UNDER ARTICLE NINE-A OR ARTICLE TWENTY-TWO OF THIS CHAPTER DURING THE TAX YEARS THAT THE CERTIFICATE IS VALID, PROVIDED, AND TO THE EXTENT THAT, THE TAXES ASSESSED CONSTITUTE ELIGIBLE REAL PROPERTY TAXES AS DEFINED IN SUBSECTION (B) OF THIS SECTION. THE CREDIT SHALL BE COMPUTED PURSUANT TO THE PROVISIONS OF SUBSECTION (C) OF THIS SECTION.

(B) DEFINITION. THE TERM "ELIGIBLE REAL PROPERTY TAXES" SHALL MEAN TAX IMPOSED ON REAL PROPERTY WHICH HAS BEEN CERTIFIED AS MEI ELIGIBLE PROPERTY PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW. IN ADDITION, THE TERM "ELIGIBLE REAL PROPERTY TAXES" INCLUDES PAYMENTS IN LIEU OF TAXES MADE BY THE TAXPAYER TO THE STATE, A MUNICIPAL CORPORATION OR A PUBLIC BENEFIT CORPORATION PURSUANT TO A WRITTEN AGREEMENT ENTERED INTO BY THE TAXPAYER AND THE STATE, MUNICIPAL CORPORATION OR PUBLIC BENEFIT CORPORATION.

(C) COMPUTATION OF PROPERTY TAX CREDIT. THE PROPERTY TAX CREDIT DESCRIBED IN THIS SECTION SHALL BE A FLAT TEN PERCENT OF THE PROPERTY TAX ASSESSED.

S 701. MEI WAGE TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER RECEIVING AN MEI CERTIFICATE ISSUED AS DESCRIBED IN ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW, AND THAT OR WHO IS SUBJECT TO TAXES UNDER ARTICLE NINE-A OR ARTICLE TWENTY-TWO OF THIS CHAPTER, SHALL BE ALLOWED A CREDIT AGAINST THE TAXES ASSESSED UNDER ARTICLE NINE-A OR ARTICLE TWENTY-TWO OF THIS CHAPTER DURING THE TAX YEARS THAT THE CERTIFICATE IS VALID. THE CREDIT SHALL BE COMPUTED PURSUANT TO THE PROVISIONS OF SUBSECTION (C) OF THIS SECTION.

(B) DEFINITIONS. THE TERM "ELIGIBLE WAGES" SHALL MEAN THE TOTAL AMOUNT OF EMPLOYEE GROSS SALARY ELIGIBLE FOR THE WAGE TAX CREDIT, AS SUCH AMOUNT IS SPECIFIED IN THE MEI CERTIFICATE ISSUED PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW.

(C) COMPUTATION OF WAGE TAX CREDIT. 1. DURING THE FIRST TAX YEAR OF THE TWO-YEAR PERIOD FOR WHICH A VALID MEI CERTIFICATE HAS BEEN ISSUED PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW, PROVIDED

THE TAXPAYER HAS MAINTAINED THE EMPLOYMENT AND ELIGIBLE WAGE REQUIREMENTS SPECIFIED BY THE MEI, THE TAXPAYER SHALL BE ALLOWED A CREDIT OF ONE AND ONE-HALF PERCENT OF THE TOTAL AMOUNT OF THE ELIGIBLE WAGES ACTUALLY PAID BY THE TAXPAYER. IF THE TAXPAYER INCREASES EMPLOYMENT DURING THIS TAX YEAR, AND EXCEEDS THE LEVEL OF EMPLOYMENT REQUIRED BY THE MEI, HIRING AND MAINTAINING ADDITIONAL EMPLOYEES AND PAYING ADDITIONAL WAGES OVER AND ABOVE THE ELIGIBLE WAGES AMOUNT, THE TAXPAYER SHALL BE ALLOWED AN ADDITIONAL CREDIT OF TWO AND ONE-HALF PERCENT OF THE TOTAL AMOUNT BY WHICH THE WAGES ACTUALLY PAID AS A RESULT OF THE INCREASED LEVEL OF EMPLOYMENT EXCEED THE ELIGIBLE WAGES.

2. DURING THE SECOND TAX YEAR OF THE TWO-YEAR PERIOD FOR WHICH A VALID MEI CERTIFICATE HAS BEEN ISSUED PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW, PROVIDED THE TAXPAYER HAS MAINTAINED THE EMPLOYMENT AND ELIGIBLE WAGE REQUIREMENTS SPECIFIED BY THE MEI, THE TAXPAYER SHALL BE ALLOWED A CREDIT OF ONE AND ONE-HALF PERCENT OF THE TOTAL AMOUNT OF THE ELIGIBLE WAGES ACTUALLY PAID BY THE TAXPAYER; HOWEVER, IF THE TAXPAYER INCREASED EMPLOYMENT IN THE PRECEDING TAX YEAR AND CLAIMED THE TWO AND ONE-HALF PERCENT CREDIT FOR EMPLOYMENT AND PAYMENT OF WAGES IN EXCESS OF THE MEI REQUIREMENTS, THE TAXPAYER SHALL BE ALLOWED A CREDIT OF ONE AND ONE-HALF PERCENT OF THE TOTAL AMOUNT OF THE ELIGIBLE WAGES ACTUALLY PAID BY THE TAXPAYER DURING THE PRECEDING TAX YEAR, PROVIDED THE TAXPAYER HAS MAINTAINED THE INCREASED EMPLOYMENT AND SALARY LEVELS. IF THE TAXPAYER AGAIN INCREASES EMPLOYMENT, HIRING AND MAINTAINING ADDITIONAL EMPLOYEES AND PAYING ADDITIONAL WAGES OVER AND ABOVE THE PREVIOUS TAX YEAR'S AMOUNT, THE TAXPAYER SHALL BE ALLOWED AN ADDITIONAL CREDIT OF TWO AND ONE-HALF PERCENT OF THE TOTAL AMOUNT BY WHICH THE WAGES ACTUALLY PAID AS A RESULT OF THE INCREASED LEVEL OF EMPLOYMENT EXCEED THE WAGES SUBJECT TO THE ONE AND ONE-HALF PERCENT CREDIT.

S 702. MEI ENERGY TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER RECEIVING AN MEI CERTIFICATE ISSUED AS DESCRIBED IN ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW, AND THAT OR WHO IS SUBJECT TO TAXES UNDER ARTICLE NINE-A OR ARTICLE TWENTY-TWO OF THIS CHAPTER, SHALL BE ALLOWED A CREDIT AGAINST THE TAXES ASSESSED UNDER ARTICLE NINE-A OR ARTICLE TWENTY-TWO OF THIS CHAPTER DURING THE TAX YEARS THAT THE CERTIFICATE IS VALID. THE CREDIT SHALL BE COMPUTED PURSUANT TO THE PROVISIONS OF SUBSECTION (C) OF THIS SECTION.

(B) DEFINITION. THE TERM "ELIGIBLE ENERGY COSTS" SHALL MEAN THE AMOUNTS PAID BY THE TAXPAYER FOR ELECTRICITY, NATURAL GAS, OR ANY OTHER ENERGY PRODUCT OR SERVICE WHICH THE TAXPAYER HAS USED IN THE OPERATION OF A MEI-CERTIFIED MANUFACTURING FIRM FACILITY PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW.

(C) COMPUTATION OF ENERGY CREDIT. 1. IF THE TAXPAYER HAS PAID ELIGIBLE ENERGY COSTS DURING THE FIRST TAX YEAR OF THE TWO-YEAR PERIOD FOR WHICH A VALID MEI CERTIFICATE HAS BEEN ISSUED PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW, PROVIDED THE TAXPAYER HAS MAINTAINED THE EMPLOYMENT AND ELIGIBLE WAGES REQUIREMENTS SPECIFIED BY THE MEI, THE TAXPAYER SHALL BE ALLOWED AN ENERGY CREDIT OF TWENTY-FIVE DOLLARS PER EMPLOYEE REQUIRED BY THE MEI. IF THE TAXPAYER INCREASES EMPLOYMENT DURING THIS TAX YEAR, AND EXCEEDS THE LEVEL OF EMPLOYMENT REQUIRED BY THE MEI, HIRING AND MAINTAINING ADDITIONAL EMPLOYEES AND PAYING ADDITIONAL WAGES OVER AND ABOVE THE ELIGIBLE WAGES AMOUNT, THE TAXPAYER SHALL BE ALLOWED AN ADDITIONAL ENERGY CREDIT OF FIFTY DOLLARS PER EACH ADDITIONAL EMPLOYEE. THE ENERGY TAX CREDIT SHALL NOT EXCEED THE AMOUNT OF ELIGIBLE ENERGY COSTS ACTUALLY PAID BY THE TAXPAYER.

2. IF THE TAXPAYER HAS PAID ELIGIBLE ENERGY COSTS DURING THE SECOND TAX YEAR OF THE TWO-YEAR PERIOD FOR WHICH A VALID MEI CERTIFICATE HAS BEEN ISSUED PURSUANT TO ARTICLE FIFTEEN OF THE ECONOMIC DEVELOPMENT LAW, PROVIDED THE TAXPAYER HAS MAINTAINED THE EMPLOYMENT AND ELIGIBLE WAGE REQUIREMENTS SPECIFIED BY THE MEI, THE TAXPAYER SHALL BE ALLOWED AN ENERGY CREDIT OF TWENTY-FIVE DOLLARS PER EMPLOYEE REQUIRED BY THE MEI; HOWEVER, IF THE TAXPAYER INCREASED EMPLOYMENT DURING THE PRECEDING TAX YEAR AND CLAIMED THE ADDITIONAL ENERGY TAX CREDIT OF FIFTY DOLLARS PER ADDITIONAL EMPLOYEE, THE TAXPAYER SHALL BE ALLOWED A CREDIT OF TWENTY-FIVE DOLLARS PER EMPLOYEE UP TO THE NUMBER OF EMPLOYEES CLAIMED IN THE PREVIOUS TAX YEAR, PROVIDED THE TAXPAYER HAS MAINTAINED THE INCREASED EMPLOYMENT AND WAGE LEVELS. IF THE TAXPAYER AGAIN INCREASES EMPLOYMENT, HIRING ADDITIONAL EMPLOYEES AND PAYING ADDITIONAL WAGES OVER AND ABOVE THE PREVIOUS TAX YEAR'S AMOUNTS, THE TAXPAYER SHALL BE ALLOWED AN ADDITIONAL CREDIT OF FIFTY DOLLARS FOR EACH ADDITIONAL EMPLOYEE HIRED DURING THE SECOND YEAR. THE ENERGY TAX CREDIT SHALL NOT EXCEED THE AMOUNT OF ELIGIBLE ENERGY COSTS ACTUALLY PAID BY THE TAXPAYER.

S 5. Section 210 of the tax law is amended by adding three new subdivisions 41, 42 and 43 to read as follows:

41. MEI PROPERTY TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION SEVEN HUNDRED OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(B) CARRYOVERS. 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; PROVIDED, HOWEVER, IF THE AMOUNT OF THIS CREDIT ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES TAX TO SUCH AMOUNT, ANY AMOUNT OF THE CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

42. MEI WAGE TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE, TO BE COMPUTED AS PROVIDED IN SECTION SEVEN HUNDRED ONE OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(B) CARRYOVERS. 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; PROVIDED, HOWEVER, IF THE AMOUNT OF THIS CREDIT ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES TAX TO SUCH AMOUNT, ANY AMOUNT OF THE CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

43. MEI ENERGY TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE, TO BE COMPUTED AS PROVIDED IN SECTION SEVEN HUNDRED TWO OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(B) CARRYOVERS. 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; PROVIDED, HOWEVER, IF THE AMOUNT OF THIS CREDIT ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES TAX TO SUCH AMOUNT, ANY AMOUNT OF THE CREDIT NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

S 6. 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 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) MEI PROPERTY TAX CREDIT UNDER SUBSECTION (QQ)	AMOUNT OF MEI PROPERTY TAX CREDIT UNDER SUBDIVISION FORTY-ONE OF SECTION TWO HUNDRED TEN
(XXXII) MEI WAGE TAX CREDIT UNDER SUBSECTION (RR)	AMOUNT OF MEI WAGE CREDIT UNDER SUBDIVISION FORTY-TWO OF SECTION TWO HUNDRED TEN
(XXXIII) MEI ENERGY TAX CREDIT UNDER SUBSECTION (SS)	AMOUNT OF MEI ENERGY CREDIT UNDER SUBDIVISION FORTY-THREE OF SECTION TWO HUNDRED TEN

S 7. Section 606 of the tax law is amended by adding three new subsections (qq), (rr) and (ss) to read as follows:

(QQ) MEI PROPERTY TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION SEVEN HUNDRED OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX

HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

(RR) MEI WAGE TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION SEVEN HUNDRED ONE OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

(SS) MEI ENERGY TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION SEVEN HUNDRED TWO OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

(2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

S 8. This act shall take effect on the one hundred eightieth day after it shall have become a law and shall apply to taxable years beginning on or after January 1, 2011 and before January 1, 2019; provided, however, that the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made on or before such date; and provided, further, 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 six 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.