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

48

Extraordinary Session

I N S E N A T E

June 23, 2009

Introduced by COMMITTEE ON RULES -- (at request of the Governor) -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the administrative code of the city of New York, in relation to the unincorporated business tax

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

Section 1. Paragraph 3 of subdivision (b) of section 11-503 of the administrative code of the city of New York, as amended by chapter 481 of the laws of 1997, is amended to read as follows:

(3) For each taxable year beginning after nineteen hundred ninety-six BUT BEFORE TWO THOUSAND NINE:

(A) if the tax computed under subdivision (a) of this section is one thousand eight hundred dollars or less, a credit shall be allowed for the entire amount of such tax;

(B) if the tax computed under subdivision (a) of this section exceeds one thousand eight hundred dollars but is less than three thousand two hundred dollars, a credit shall be allowed in the amount determined by multiplying such tax by a fraction the numerator of which is three thousand two hundred dollars minus the amount of such tax and the denominator of which is one thousand four hundred dollars; or

(C) if the tax computed under subdivision (a) of this section is three thousand two hundred dollars or more, no credit shall be allowed.

S 2. Subdivision (b) of section 11-503 of the administrative code of the city of New York is amended by adding a new paragraph 3-a to read as follows:

(3-A) FOR EACH TAXABLE YEAR BEGINNING AFTER TWO THOUSAND EIGHT:

(A) IF THE TAX COMPUTED UNDER SUBDIVISION (A) OF THIS SECTION IS THREE THOUSAND FOUR HUNDRED DOLLARS OR LESS, A CREDIT SHALL BE ALLOWED FOR THE ENTIRE AMOUNT OF SUCH TAX;

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

LBD11919-01-9

(B) IF THE TAX COMPUTED UNDER SUBDIVISION (A) OF THIS SECTION EXCEEDS THREE THOUSAND FOUR HUNDRED DOLLARS BUT IS LESS THAN FIVE THOUSAND FOUR HUNDRED DOLLARS, A CREDIT SHALL BE ALLOWED IN THE AMOUNT DETERMINED BY MULTIPLYING SUCH TAX BY A FRACTION THE NUMERATOR OF WHICH IS FIVE THOUSAND FOUR HUNDRED DOLLARS MINUS THE AMOUNT OF SUCH TAX AND THE DENOMINATOR OF WHICH IS TWO THOUSAND DOLLARS; OR

(C) IF THE TAX COMPUTED UNDER SUBDIVISION (A) OF THIS SECTION IS FIVE THOUSAND FOUR HUNDRED DOLLARS OR MORE, NO CREDIT SHALL BE ALLOWED.

S 3. Subdivision (a) of section 11-511 of the administrative code of the city of New York, as amended by chapter 481 of the laws of 1997, is amended to read as follows:

(a) Requirement of declaration. Except as provided in subdivision (j) of this section, every unincorporated business shall make a declaration of its estimated tax for the taxable year, containing such information as the commissioner of finance may prescribe by regulations or instruction, if:

(1) for taxable years beginning after nineteen hundred eighty-six but before nineteen hundred ninety-six, its unincorporated business taxable income can reasonably be expected to exceed fifteen thousand dollars;

(2) for taxable years beginning in nineteen hundred ninety-six, its unincorporated business taxable income can reasonably be expected to exceed twenty thousand dollars; [and]

(3) for taxable years beginning after nineteen hundred ninety-six BUT BEFORE TWO THOUSAND NINE, its estimated tax can reasonably be expected to exceed one thousand eight hundred dollars; AND

(4) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND EIGHT, ITS ESTIMATED TAX CAN REASONABLY BE EXPECTED TO EXCEED THREE THOUSAND FOUR HUNDRED DOLLARS.

S 4. Subdivision (a) of section 11-514 of the administrative code of the city of New York, as amended by chapter 481 of the laws of 1997, is amended to read as follows:

(a) General. On or before the fifteenth day of the fourth month following the close of a taxable year, an unincorporated business income tax return shall be made and filed, and the balance of any tax shown on the face of such return, not previously paid as installments of estimated tax, shall be paid:

(1) by or for every unincorporated business, for taxable years beginning after nineteen hundred eighty-six but before nineteen hundred ninety-seven, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than ten thousand dollars, or having any amount of unincorporated business taxable income;

(2) by or for every partnership, for taxable years beginning after nineteen hundred ninety-six BUT BEFORE TWO THOUSAND NINE, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than twenty-five thousand dollars, or having unincorporated business taxable income of more than fifteen thousand dollars; [and]

(3) by or for every unincorporated business other than a partnership, for taxable years beginning after nineteen hundred ninety-six BUT BEFORE TWO THOUSAND NINE, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than seventy-five thousand dollars, or having unincorporated business taxable income of more than thirty-five thousand dollars; AND

(4) BY OR FOR EVERY UNINCORPORATED BUSINESS, FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND EIGHT, HAVING UNINCORPORATED BUSINESS GROSS INCOME, DETERMINED FOR PURPOSES OF THIS SUBDIVISION WITHOUT ANY DEDUCTION FOR THE COST OF GOODS SOLD OR SERVICES PERFORMED, OF MORE THAN NINETY-FIVE THOUSAND DOLLARS.

S 5. This act shall take effect immediately; provided, however that sections one and two of this act shall be deemed to have been in full force and effect on and after January 1, 2009.