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

7791

I N  S E N A T E

May 11, 2010

Introduced by Sen. PARKER -- 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 increases in income tax rates on incomes over one million dollars and incomes over five million dollars

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

Section 1. Paragraphs 2, 3, 4, 5, 6, 7, 8 and 9 of subsection (a) of section 601 of the tax law are renumbered paragraphs 3, 4, 5, 6, 7, 8, 9 and 10.

S 2. Paragraph 1 of subsection (a) of section 601 of the tax law, as added by section 1 of part Z-1 of chapter 57 of the laws of 2009, is amended to read as follows:

(1) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND NINE AND BEFORE TWO THOUSAND TWELVE:

| IF THE NEW YORK TAXABLE INCOME IS: | THE TAX IS: |
|---|---|
| NOT OVER $16,000 | 4% OF THE NEW YORK TAXABLE INCOME |
| OVER $16,000 BUT NOT OVER $22,000 | $640 PLUS 4.5% OF EXCESS OVER $16,000 |
| OVER $22,000 BUT NOT OVER $26,000 | $910 PLUS 5.25% OF EXCESS OVER $22,000 |
| OVER $26,000 BUT NOT OVER $40,000 | $1,120 PLUS 5.9% OF EXCESS OVER $26,000 |
| OVER $40,000 BUT NOT OVER $300,000 | $1,946 PLUS 6.85% OF EXCESS OVER $40,000 |
| OVER $300,000 BUT NOT OVER $500,000 | $19,756 PLUS 7.85% OF EXCESS OVER $300,000 |
| OVER $500,000 BUT NOT OVER $1,000,000 | $35,456 PLUS 8.97% OF EXCESS OVER $500,000 |
| OVER $1,000,000 BUT NOT OVER | $80,306 PLUS 9.97% OF EXCESS OVER |

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

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| | |
|---|---|
| $5,000,000 | $1,000,000 |
| OVER $5,000,000 | $479,106 PLUS 10.97% OF EXCESS OVER $5,000,000 |

(2) For taxable years beginning after two thousand eight and before two thousand [twelve] TEN AND FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND ELEVEN:

| If the New York taxable income is: | The tax is: |
|---|---|
| Not over $16,000 | 4% of the New York taxable income |
| Over $16,000 but not over $22,000 | $640 plus 4.5% of excess over $16,000 |
| Over $22,000 but not over $26,000 | $910 plus 5.25% of excess over $22,000 |
| Over $26,000 but not over $40,000 | $1,120 plus 5.9% of excess over $26,000 |
| Over $40,000 but not over $300,000 | $1,946 plus 6.85% of excess over $40,000 |
| Over $300,000 but not over $500,000 | $19,756 plus 7.85% of excess over $300,000 |
| Over $500,000 | $35,456 plus 8.97% of excess over $500,000 |

S 3. Paragraphs 2, 3, 4, 5, 6, 7, 8 and 9 of subsection (b) of section 601 of the tax law are renumbered paragraphs 3, 4, 5, 6, 7, 8, 9 and 10.

S 4. Paragraph 1 of subsection (b) of section 601 of the tax law, as added by section 1 of part Z-1 of chapter 57 of the laws of 2009, is amended to read as follows:

(1) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND NINE AND BEFORE TWO THOUSAND TWELVE:

| IF THE NEW YORK TAXABLE INCOME IS: | THE TAX IS: |
|---|---|
| NOT OVER $11,000 | 4% OF THE NEW YORK TAXABLE INCOME |
| OVER $11,000 BUT NOT OVER $15,000 | $440 PLUS 4.5% OF EXCESS OVER $11,000 |
| OVER $15,000 BUT NOT OVER $17,000 | $620 PLUS 5.25% OF EXCESS OVER $15,000 |
| OVER $17,000 BUT NOT OVER $30,000 | $725 PLUS 5.9% OF EXCESS OVER $17,000 |
| OVER $30,000 BUT NOT OVER $250,000 | $1,492 PLUS 6.85% OF EXCESS OVER $30,000 |
| OVER $250,000 BUT NOT OVER $500,000 | $16,562 PLUS 7.85% OF EXCESS OVER $250,000 |
| OVER $500,000 BUT NOT OVER $1,000,000 | $36,187 PLUS 8.97% OF EXCESS OVER $500,000 |
| OVER $1,000,000 BUT NOT OVER $5,000,000 | $81,037 PLUS 9.97% OF EXCESS OVER $1,000,000 |
| OVER $5,000,000 | $479,837 PLUS 10.97% OF EXCESS OVER $5,000,000 |

(2) For taxable years beginning after two thousand eight and before two thousand [twelve] TEN AND FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND ELEVEN:

| If the New York taxable income is: | The tax is: |
|---|---|
| Not over $11,000 | 4% of the New York taxable income |
| Over $11,000 but not over $15,000 | $440 plus 4.5% of excess over $11,000 |
| Over $15,000 but not over $17,000 | $620 plus 5.25% of excess over $15,000 |
| Over $17,000 but not over $30,000 | $725 plus 5.9% of excess over $17,000 |
| Over $30,000 but not over $250,000 | $1,492 plus 6.85% of excess over $30,000 |
| Over $250,000 but not over $500,000 | $16,562 plus 7.85% of excess over $250,000 |
| Over $500,000 | $36,187 plus 8.97% of excess over $500,000 |

S 5. Paragraphs 2, 3, 4, 5, 6, 7, 8 and 9 of subsection (c) of section 601 of the tax law are renumbered paragraphs 3, 4, 5, 6, 7, 8, 9 and 10.

S 6. Paragraph 1 of subsection (c) of section 601 of the tax law, as added by section 1 of part Z-1 of chapter 57 of the laws of 2009, is amended to read as follows:

(1) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND NINE AND BEFORE TWO THOUSAND TWELVE:

| If the New York taxable income is: | The tax is: |
|---|---|
| Not over $8,000 | 4% of the New York taxable income |
| Over $8,000 but not over $11,000 | $320 plus 4.5% of excess over $8,000 |
| Over $11,000 but not over $13,000 | $455 plus 5.25% of excess over $11,000 |
| Over $13,000 but not over $20,000 | $560 plus 5.9% of excess over $13,000 |
| Over $20,000 but not over $200,000 | $973 plus 6.85% of excess over $20,000 |
| Over $200,000 but not over $500,000 | $13,303 plus 7.85% of excess over $200,000 |
| OVER $500,000 BUT NOT OVER $1,000,000 | $369,853 PLUS 8.97% OF EXCESS OVER $500,000 |
| OVER $1,000,000 BUT NOT OVER $5,000,000 | $81,703 PLUS 9.99% OF EXCESS OVER $1,000,000 |
| OVER $5,000,000 | $480,503 PLUS 10.97% OF EXCESS OVER $5,000,000 |

(2) For taxable years beginning after two thousand eight and before two thousand [twelve] TEN AND FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND ELEVEN:

| If the New York taxable income is: | The tax is: |
|---|---|
| Not over $8,000 | 4% of the New York taxable income |
| Over $8,000 but not over $11,000 | $320 plus 4.5% of excess over $8,000 |
| Over $11,000 but not over $13,000 | $455 plus 5.25% of excess over |

| | |
|---|---|
| | $11,000 |
| Over $13,000 but not over $20,000 | $560 plus 5.9% of excess over $13,000 |
| Over $20,000 but not over $200,000 | $973 plus 6.85% of excess over $20,000 |
| Over $200,000 but not over $500,000 | $13,303 plus 7.85% of excess over $200,000 |
| Over $500,000 | $36,853 plus 8.97% of excess over $500,000 |

S 7. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2010.