

1 assembling, refining, mining, extracting, farming, agriculture, horti-
2 culture, floriculture, viticulture or commercial fishing, (B) industrial
3 waste treatment facilities or air pollution control facilities, used in
4 the taxpayer's trade or business, (C) research and development property,
5 (D) principally used in the ordinary course of the taxpayer's trade or
6 business as a broker or dealer in connection with the purchase or sale
7 (which shall include but not be limited to the issuance, entering into,
8 assumption, offset, assignment, termination, or transfer) of stocks,
9 bonds or other securities as defined in section four hundred seventy-
10 five (c)(2) of the Internal Revenue Code, or of commodities as defined
11 in section four hundred seventy-five (e) of the Internal Revenue Code,
12 (E) principally used in the ordinary course of the taxpayer's trade or
13 business of providing investment advisory services for a regulated
14 investment company as defined in section eight hundred fifty-one of the
15 Internal Revenue Code, or lending, loan arrangement or loan origination
16 services to customers in connection with the purchase or sale (which
17 shall include but not be limited to the issuance, entering into, assump-
18 tion, offset, assignment, termination, or transfer) of securities as
19 defined in section four hundred seventy-five (c)(2) of the Internal
20 Revenue Code, (F) principally used in the ordinary course of the taxpay-
21 er's business as an exchange registered as a national securities
22 exchange within the meaning of sections 3(a)(1) and 6(a) of the Securi-
23 ties Exchange Act of 1934 or a board of trade as defined in [section
24 1410(a)(1) of the New York Not-for-Profit Corporation Law] SUBPARAGRAPH
25 ONE OF PARAGRAPH (A) OF SECTION FOURTEEN HUNDRED TEN OF THE NOT-FOR-PRO-
26 FIT CORPORATION LAW or as an entity that is wholly owned by one or more
27 such national securities exchanges or boards of trade and that provides
28 automation or technical services thereto, [or] (G) principally used as a
29 qualified film production facility including qualified film production
30 facilities having a situs in an empire zone designated as such pursuant
31 to article eighteen-B of the general municipal law, where the taxpayer
32 is providing three or more services to any qualified film production
33 company using the facility, including such services as a studio lighting
34 grid, lighting and grip equipment, multi-line phone service, broadband
35 information technology access, industrial scale electrical capacity,
36 food services, security services, and heating, ventilation and air
37 conditioning, OR (H) PRINCIPALLY USED IN THE ORDINARY COURSE OF ANY
38 TRADE OR BUSINESS OF THE TAXPAYER NOT OTHERWISE DESCRIBED IN CLAUSES (A)
39 THROUGH (G) OF THIS SUBPARAGRAPH. For purposes of clauses (D), (E) and
40 (F) of this subparagraph, property purchased by a taxpayer affiliated
41 with a regulated broker, dealer, registered investment adviser, national
42 securities exchange or board of trade, is allowed a credit under this
43 subdivision if the property is used by its affiliated regulated broker,
44 dealer, registered investment adviser, national securities exchange or
45 board of trade in accordance with this subdivision. For purposes of
46 determining if the property is principally used in qualifying uses, the
47 uses by the taxpayer described in clauses (D) and (E) of this subpara-
48 graph may be aggregated. In addition, the uses by the taxpayer, its
49 affiliated regulated broker, dealer, and registered investment adviser
50 under either or both of those clauses may be aggregated. Provided,
51 however, a taxpayer shall not be allowed the credit provided by clauses
52 (D), (E) and (F) of this subparagraph unless (I) eighty percent or more
53 of the employees performing the administrative and support functions
54 resulting from or related to the qualifying uses of such equipment are
55 located in this state or (II) the average number of employees that
56 perform the administrative and support functions resulting from or

1 related to the qualifying uses of such equipment and are located in this
2 state during the taxable year for which the credit is claimed is equal
3 to or greater than ninety-five percent of the average number of employ-
4 ees that perform these functions and are located in this state during
5 the thirty-six months immediately preceding the year for which the cred-
6 it is claimed, or (III) the number of employees located in this state
7 during the taxable year for which the credit is claimed is equal to or
8 greater than ninety percent of the number of employees located in this
9 state on December thirty-first, nineteen hundred ninety-eight or, if the
10 taxpayer was not a calendar year taxpayer in nineteen hundred ninety-
11 eight, the last day of its first taxable year ending after December
12 thirty-first, nineteen hundred ninety-eight. If the taxpayer becomes
13 subject to tax in this state after the taxable year beginning in nine-
14 teen hundred ninety-eight, then the taxpayer is not required to satisfy
15 the employment test provided in the preceding sentence of this subpara-
16 graph for its first taxable year. For purposes of clause (III) of this
17 subparagraph the employment test will be based on the number of employ-
18 ees located in this state on the last day of the first taxable year the
19 taxpayer is subject to tax in this state. If the uses of the property
20 must be aggregated to determine whether the property is principally used
21 in qualifying uses, then either each affiliate using the property must
22 satisfy this employment test or this employment test must be satisfied
23 through the aggregation of the employees of the taxpayer, its affiliated
24 regulated broker, dealer, and registered investment adviser using the
25 property. For purposes of this subdivision, the term "goods" shall not
26 include electricity.

27 S 2. Subparagraph (A) of paragraph 2 of subsection (a) of section 606
28 of the tax law, as amended by chapter 637 of the laws of 2008, is
29 amended to read as follows:

30 (A) A credit shall be allowed under this subsection with respect to
31 tangible personal property and other tangible property, including build-
32 ings and structural components of buildings, which are: depreciable
33 pursuant to section one hundred sixty-seven of the internal revenue
34 code, have a useful life of four years or more, are acquired by purchase
35 as defined in section one hundred seventy-nine (d) of the internal
36 revenue code, have a situs in this state and are (i) principally used by
37 the taxpayer in the production of goods by manufacturing, processing,
38 assembling, refining, mining, extracting, farming, agriculture, horti-
39 culture, floriculture, viticulture or commercial fishing, (ii) indus-
40 trial waste treatment facilities or air pollution control facilities,
41 used in the taxpayer's trade or business, (iii) research and development
42 property, (iv) principally used in the ordinary course of the taxpayer's
43 trade or business as a broker or dealer in connection with the purchase
44 or sale (which shall include but not be limited to the issuance, enter-
45 ing into, assumption, offset, assignment, termination, or transfer) of
46 stocks, bonds or other securities as defined in section four hundred
47 seventy-five (c)(2) of the Internal Revenue Code, or of commodities as
48 defined in section 475(e) of the Internal Revenue Code, (v) principally
49 used in the ordinary course of the taxpayer's trade or business of
50 providing investment advisory services for a regulated investment compa-
51 ny as defined in section eight hundred fifty-one of the Internal Revenue
52 Code, or lending, loan arrangement or loan origination services to
53 customers in connection with the purchase or sale (which shall include
54 but not be limited to the issuance, entering into, assumption, offset,
55 assignment, termination, or transfer) of securities as defined in
56 section four hundred seventy-five (c)(2) of the Internal Revenue Code,

1 [or] (vi) principally used as a qualified film production facility
2 including qualified film production facilities having a situs in an
3 empire zone designated as such pursuant to article eighteen-B of the
4 general municipal law, where the taxpayer is providing three or more
5 services to any qualified film production company using the facility,
6 including such services as a studio lighting grid, lighting and grip
7 equipment, multi-line phone service, broadband information technology
8 access, industrial scale electrical capacity, food services, security
9 services, and heating, ventilation and air conditioning, OR (VII) PRIN-
10 CIPALLY USED IN THE ORDINARY COURSE OF ANY TRADE OR BUSINESS OF THE
11 TAXPAYER NOT OTHERWISE DESCRIBED IN CLAUSES (I) THROUGH (VI) OF THIS
12 SUBPARAGRAPH. For purposes of clauses (iv) and (v) of this subpara-
13 graph, property purchased by a taxpayer affiliated with a regulated
14 broker, dealer, or registered investment adviser is allowed a credit
15 under this subsection if the property is used by its affiliated regu-
16 lated broker, dealer or registered investment adviser in accordance with
17 this subsection. For purposes of determining if the property is princi-
18 pally used in qualifying uses, the uses by the taxpayer described in
19 clauses (iv) and (v) of this subparagraph may be aggregated. In addi-
20 tion, the uses by the taxpayer, its affiliated regulated broker, dealer
21 and registered investment adviser under either or both of those clauses
22 may be aggregated. Provided, however, a taxpayer shall not be allowed
23 the credit provided by clauses (iv) and (v) of this subparagraph unless
24 (I) eighty percent or more of the employees performing the administra-
25 tive and support functions resulting from or related to the qualifying
26 uses of such equipment are located in this state, or (II) the average
27 number of employees that perform the administrative and support func-
28 tions resulting from or related to the qualifying uses of such equipment
29 and are located in this state during the taxable year for which the
30 credit is claimed is equal to or greater than ninety-five percent of the
31 average number of employees that perform these functions and are located
32 in this state during the thirty-six months immediately preceding the
33 year for which the credit is claimed, or (III) the number of employees
34 located in this state during the taxable year for which the credit is
35 claimed is equal to or greater than ninety percent of the number of
36 employees located in this state on December thirty-first, nineteen
37 hundred ninety-eight or, if the taxpayer was not a calendar year taxpay-
38 er in nineteen hundred ninety-eight, the last day of its first taxable
39 year ending after December thirty-first, nineteen hundred ninety-eight.
40 If the taxpayer becomes subject to tax in this state after the taxable
41 year beginning in nineteen hundred ninety-eight, then the taxpayer is
42 not required to satisfy the employment test provided in the preceding
43 sentence of this subparagraph for its first taxable year. For the
44 purposes of clause (III) of this subparagraph the employment test will
45 be based on the number of employees located in this state on the last
46 day of the first taxable year the taxpayer is subject to tax in this
47 state. If the uses of the property must be aggregated to determine
48 whether the property is principally used in qualifying uses, then either
49 each affiliate using the property must satisfy this employment test or
50 this employment test must be satisfied through the aggregation of the
51 employees of the taxpayer, its affiliated regulated broker, dealer, and
52 registered investment adviser using the property. For purposes of this
53 subsection, the term "goods" shall not include electricity.

54 S 3. This act shall take effect immediately and apply to taxable years
55 ending on or after January 1, 2013.

1

PART B

2 Section 1. Paragraph (a) of subdivision 12-G of section 210 of the tax
3 law, as amended by section 1-a of part A of chapter 63 of the laws of
4 2005, is amended to read as follows:

5 (a) A taxpayer that is a qualified emerging technology company pursu-
6 ant to the provisions of section thirty-one hundred two-e [(and specif-
7 ically for the activities referenced in paragraph (b) of subdivision one
8 of such section thirty-one hundred two-e)] of the public authorities
9 law, and that meets the eligibility requirements in paragraph (b) of
10 this subdivision, shall be allowed a credit against the tax imposed by
11 this article. The amount of credit shall be equal to the sum of the
12 amounts specified in paragraphs (c), (d), and (e) of this subdivision
13 subject to the limitations in paragraph (f) of this subdivision.

14 S 2. Paragraph (h) of subdivision 12-G of section 210 of the tax law,
15 as amended by section 1-a of part A of chapter 63 of the laws of 2005,
16 is amended to read as follows:

17 (h) The credit allowed under this subdivision shall not be applicable
18 for taxable years beginning on or after January first, two thousand
19 [twelve] FIFTEEN.

20 S 3. Paragraph 1 of subsection (nn) of section 606 of the tax law, as
21 amended by section 1-a of part A of chapter 63 of the laws of 2005, is
22 amended to read as follows:

23 (1) A taxpayer that is a qualified emerging technology company pursu-
24 ant to the provisions of section thirty-one hundred two-e [(and specif-
25 ically for the activities referenced in paragraph (b) of subdivision one
26 of such section thirty-one hundred two-e)] of the public authorities
27 law, and that meets the eligibility requirements in paragraph two of
28 this subsection, shall be allowed a credit against the tax imposed by
29 this article. The amount of credit shall be equal to the sum (or pro
30 rata share of the sum in the case of a partnership) of the amounts spec-
31 ified in paragraphs three, four, and five of this subsection, subject to
32 the limitations in paragraph six of this subsection.

33 S 4. Paragraph 8 of subsection (nn) of section 606 of the tax law, as
34 amended by section 1-a of part A of chapter 63 of the laws of 2005, is
35 amended to read as follows:

36 (8) The credit allowed under this subsection shall not be applicable
37 for taxable years beginning on or after January first, two thousand
38 [twelve] FIFTEEN.

39 S 5. This act shall take effect immediately, provided, however, that
40 sections one and three of this act shall apply to tax years beginning on
41 or after January 1, 2006.

42

PART C

43 Section 1. The general municipal law is amended by adding a new
44 section 959-c to read as follows:

45 S 959-C. CERTIFIED STARTUP BUSINESS ENTERPRISE. (A) CERTIFICATION. (I)
46 THE COMMISSIONER SHALL APPROVE APPLICATIONS FOR QUALIFICATION OF A BUSI-
47 NESS ENTERPRISE AS A CERTIFIED STARTUP BUSINESS ENTERPRISE. AS A CONDI-
48 TION FOR APPROVAL OF SUCH APPLICATION, THE COMMISSIONER IS AUTHORIZED TO
49 SPECIFY CERTAIN REQUIREMENTS TO BE SATISFIED AS A CONDITION FOR APPROVAL
50 OF A BUSINESS ENTERPRISE AS A CERTIFIED STARTUP BUSINESS ENTERPRISE AS
51 THE COMMISSIONER DEEMS NECESSARY TO ENSURE THE QUALIFYING ANGEL INVEST-
52 MENT WILL MAKE A SUBSTANTIAL CONTRIBUTION TO THE ECONOMIC DEVELOPMENT OF

1 THIS STATE, INCLUDING THE USE OF A SYSTEM OF EVALUATION OF VARIOUS
2 APPLICANT BUSINESS ENTERPRISES IN A COMPETITIVE FASHION.

3 (II) WITH RESPECT TO AN APPROVED APPLICATION FOR QUALIFICATION OF A
4 BUSINESS ENTERPRISE AS A CERTIFIED STARTUP BUSINESS ENTERPRISE, THE
5 COMMISSIONER SHALL ISSUE TO SUCH BUSINESS ENTERPRISE A CERTIFICATE OF
6 QUALIFICATION AS A CERTIFIED STARTUP BUSINESS ENTERPRISE SETTING FORTH
7 THE EFFECTIVE DATE OF THE CERTIFICATION AND THE AMOUNT OF QUALIFYING
8 ANGEL INVESTMENT AWARDED TO SUCH BUSINESS ENTERPRISE, WHICH AMOUNT SHALL
9 BE NO LESS THAN ONE HUNDRED THOUSAND DOLLARS AND NO MORE THAN TWO
10 MILLION DOLLARS.

11 (III) FOR THE PERIOD JULY FIRST, TWO THOUSAND TWELVE THROUGH JUNE
12 THIRTIETH, TWO THOUSAND THIRTEEN, THE COMMISSIONER MAY CERTIFY UP TO
13 TWENTY MILLION DOLLARS IN QUALIFYING ANGEL INVESTMENT. FOR THE PERIOD
14 JULY FIRST, TWO THOUSAND THIRTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND
15 FOURTEEN, THE COMMISSIONER MAY CERTIFY UP TO TWENTY MILLION DOLLARS IN
16 QUALIFYING ANGEL INVESTMENT. FOR THE PERIOD JULY FIRST, TWO THOUSAND
17 FOURTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FIFTEEN, THE COMMISSIONER
18 MAY CERTIFY UP TO TWENTY MILLION DOLLARS IN QUALIFYING ANGEL INVESTMENT.

19 (B) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL
20 HAVE THE FOLLOWING MEANINGS:

21 (I) "CERTIFIED STARTUP BUSINESS ENTERPRISE" SHALL MEAN A BUSINESS
22 ENTERPRISE LOCATED IN NEW YORK STATE:

23 (1) WITH LESS THAN FIVE MILLION DOLLARS IN ANNUAL REVENUES;

24 (2) WHOSE PRIMARY ACTIVITY CONSISTS OF A QUALIFYING TECHNOLOGY OR
25 INNOVATION ACTIVITY; AND

26 (3) THAT HAS BEEN CERTIFIED AS A CERTIFIED STARTUP BUSINESS ENTERPRISE
27 BY THE COMMISSIONER.

28 (II) "QUALIFYING TECHNOLOGY OR INNOVATION ACTIVITY" SHALL MEAN:

29 (1) BIOTECHNOLOGIES, WHICH SHALL BE DEFINED AS TECHNOLOGIES INVOLVING
30 THE SCIENTIFIC MANIPULATION OF LIVING ORGANISMS, ESPECIALLY AT THE
31 MOLECULAR AND/OR THE SUB-MOLECULAR GENETIC LEVEL, TO PRODUCE PRODUCTS
32 CONDUCIVE TO IMPROVING THE LIVES AND HEALTH OF PLANTS, ANIMALS, AND
33 HUMANS; AND THE ASSOCIATED SCIENTIFIC RESEARCH, PHARMACOLOGICAL, MECHAN-
34 ICAL, AND COMPUTATIONAL APPLICATIONS AND SERVICES CONNECTED WITH THESE
35 IMPROVEMENTS;

36 (2) INFORMATION AND COMMUNICATION TECHNOLOGIES, EQUIPMENT AND SYSTEMS
37 THAT INVOLVE ADVANCED COMPUTER SOFTWARE AND HARDWARE, VISUALIZATION
38 TECHNOLOGIES, AND HUMAN INTERFACE TECHNOLOGIES;

39 (3) ADVANCED MATERIALS AND PROCESSING TECHNOLOGIES THAT INVOLVE THE
40 DEVELOPMENT, MODIFICATION, OR IMPROVEMENT OF ONE OR MORE MATERIALS OR
41 METHODS TO PRODUCE DEVICES AND STRUCTURES WITH IMPROVED PERFORMANCE
42 CHARACTERISTICS OR SPECIAL FUNCTIONAL ATTRIBUTES, OR TO ACTIVATE, SPEED
43 UP, OR OTHERWISE ALTER CHEMICAL, BIOCHEMICAL, OR MEDICAL PROCESSES;

44 (4) ELECTRONIC AND PHOTONIC DEVICES AND COMPONENTS FOR USE IN PRODUC-
45 ING ELECTRONIC, OPTOELECTRONIC, MECHANICAL EQUIPMENT AND PRODUCTS OF
46 ELECTRONIC DISTRIBUTION WITH INTERACTIVE MEDIA CONTENT;

47 (5) ENERGY EFFICIENCY, RENEWABLE ENERGY AND ENVIRONMENTAL TECHNOLO-
48 GIES, PRODUCTS, DEVICES AND SERVICES;

49 (6) SMALL SCALE SYSTEMS INTEGRATION AND PACKAGING; OR

50 (7) MANUFACTURING;

51 (III) "QUALIFYING ANGEL INVESTMENT" SHALL MEAN A CONTRIBUTION TO THE
52 CAPITAL OF A CERTIFIED STARTUP BUSINESS ENTERPRISE, PROVIDED THAT SUCH
53 CONTRIBUTION TO CAPITAL IS MADE WITHIN TWELVE MONTHS AFTER THE EFFECTIVE
54 DATE OF THE CERTIFIED TECHNOLOGY VENTURE'S CERTIFICATE OF QUALIFICATION
55 AS A CERTIFIED TECHNOLOGY VENTURE AND SUCH CONTRIBUTION IS APPLIED BY
56 THE CERTIFIED STARTUP BUSINESS ENTERPRISE AGAINST ITS ALLOCATION OF

1 QUALIFYING ANGEL INVESTMENT. TOGETHER WITH ALL OTHER QUALIFYING ANGEL
2 INVESTMENTS MADE TO A SINGLE CERTIFIED STARTUP BUSINESS ENTERPRISE, THE
3 TOTAL QUALIFYING ANGEL INVESTMENT MAY NOT EXCEED TWO MILLION DOLLARS.
4 NOTHING HEREIN SHALL PROHIBIT A PERSON MAKING A QUALIFYING ANGEL INVEST-
5 MENT FROM MAKING ADDITIONAL CONTRIBUTIONS TO THE CAPITAL OF THE CERTI-
6 FIED STARTUP BUSINESS ENTERPRISE OR MAKING LOANS TO OR OTHER INVESTMENTS
7 IN THE CERTIFIED STARTUP BUSINESS ENTERPRISE, PROVIDED, HOWEVER, THAT
8 SUCH OTHER CONTRIBUTIONS, LOANS AND INVESTMENTS SHALL NOT BE TREATED AS
9 QUALIFYING ANGEL INVESTMENTS.

10 S 2. Section 210 of the tax law is amended by adding a new subdivision
11 12-H to read as follows:

12 12-H. ANGEL TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
13 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
14 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
15 GENERAL MUNICIPAL LAW, SHALL BE ALLOWED A CREDIT EQUAL TO FIFTY PERCENT
16 OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT.

17 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION
18 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS
19 THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF
20 SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT
21 ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO
22 SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE
23 YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR
24 REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION TEN HUNDRED EIGHT-
25 Y-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF SUBSECTION
26 (C) OF SECTION TEN HUNDRED EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING,
27 NO INTEREST SHALL BE PAID THEREON.

28 S 3. Section 606 of the tax law is amended by adding a new subsection
29 (uu) to read as follows:

30 (UU) ANGEL TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
31 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
32 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
33 GENERAL MUNICIPAL LAW, OR THAT IS A MEMBER OF A PARTNERSHIP THAT HAS
34 MADE A QUALIFYING ANGEL INVESTMENT, SHALL BE ALLOWED A CREDIT EQUAL TO
35 FIFTY PERCENT OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT OR, IN
36 THE CASE OF A TAXPAYER WHO IS A MEMBER OF A PARTNERSHIP THAT HAS MADE A
37 QUALIFYING ANGEL INVESTMENT, A PORTION OF SUCH QUALIFYING ANGEL INVEST-
38 MENT EQUAL TO THE PORTION OF ITEMS OF INCOME, GAIN, LOSS AND DEDUCTION
39 ASSOCIATED WITH THE QUALIFYING ANGEL INVESTMENT PROPERLY ALLOCABLE TO
40 SUCH TAXPAYER UNDER SECTION 704 OF THE INTERNAL REVENUE CODE FOR THE
41 TAXABLE YEAR.

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

48 S 4. Section 1456 of the tax law is amended by adding a new subsection
49 (z) to read as follows:

50 (Z) ANGEL TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
51 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
52 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
53 GENERAL MUNICIPAL LAW, SHALL BE ALLOWED A CREDIT EQUAL TO FIFTY PERCENT
54 OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT.

55 (2) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBSECTION
56 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS

1 THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED
2 FIFTY-FIVE OF THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED
3 UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH
4 AMOUNT, THEN ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE
5 YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR
6 REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION TEN HUNDRED EIGHT-
7 Y-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF SUBSECTION
8 (C) OF SECTION TEN HUNDRED EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING,
9 NO INTEREST SHALL BE PAID THEREON.

10 S 5. Section 1511 of the tax law is amended by adding a new subdivi-
11 sion (cc) to read as follows:

12 (CC) ANGEL TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
13 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
14 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
15 GENERAL MUNICIPAL LAW, SHALL BE ALLOWED A CREDIT EQUAL TO FIFTY PERCENT
16 OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT.

17 (2) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION
18 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS
19 THAN THE MINIMUM TAX FIXED BY PARAGRAPH FOUR OF SUBDIVISION (A) OF
20 SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE OR BY SECTION FIFTEEN
21 HUNDRED TWO-A OF THIS ARTICLE, WHICHEVER IS APPLICABLE. HOWEVER, IF THE
22 AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR
23 REDUCES THE TAX TO SUCH AMOUNT, THEN ANY AMOUNT OF CREDIT THUS NOT
24 DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE TREATED AS AN OVERPAYMENT OF
25 TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF
26 SECTION TEN HUNDRED EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE
27 PROVISIONS OF SUBSECTION (C) OF SECTION TEN HUNDRED EIGHTY-EIGHT OF THIS
28 CHAPTER NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

29 S 6. This act shall take effect immediately.

30 S 2. Severability. If any clause, sentence, paragraph, section or part
31 of this act shall be adjudged by any court of competent jurisdiction to
32 be invalid and after exhaustion of all further judicial review, the
33 judgment shall not affect, impair, or invalidate the remainder thereof,
34 but shall be confined in its operation to the clause, sentence, para-
35 graph, section or part of this act directly involved in the controversy
36 in which the judgment shall have been rendered.

37 S 3. This act shall take effect immediately provided, however, that
38 the applicable effective date of Parts A through C of this act shall be
39 as specifically set forth in the last section of such Parts.