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

4595

2011-2012 Regular Sessions

I N   A S S E M B L Y

February 4, 2011

Introduced by M. of A. CORWIN, GIGLIO, KOLB, MONTESANO, MURRAY, RAIA, TENNEY -- Multi-Sponsored by -- M. of A. BARCLAY, BURLING, CALHOUN, CASTELLI, CROUCH, DUPREY, JOHNS, McDONOUGH, McKEVITT, MOLINARO, RABBITT, REILICH, N. RIVERA, SALADINO, SMARDZ, STEVENSON -- read once and referred to the Committee on Economic Development

AN ACT to amend the economic development law and tax law, in relation to creating a tax credit for manufacturing companies that have one established place of business in the state and relocate a minimum of fifty employees from outside the state to the state

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

Section 1. The economic development law is amended by adding a new section 107 to read as follows:

S 107. ENCOURAGE MANUFACTURING JOBS. 1. THE COMMISSIONER SHALL PROMOTE THE LOCATION AND DEVELOPMENT OF NEW BUSINESSES IN THE STATE BY ENCOURAGING MANUFACTURING COMPANIES THAT ALREADY HAVE AT LEAST ONE ESTABLISHED PLACE OF BUSINESS IN THE STATE AND BRING AT LEAST FIFTY EMPLOYEES FROM AN OUT OF STATE LOCATION TO THE STATE FOR THE PURPOSES OF EXPANDING THEIR MANUFACTURING COMPANY.

2. THE COMMISSIONER SHALL DETERMINE WHAT COMPANIES QUALIFY FOR A TAX CREDIT PURSUANT TO SECTION ONE HUNDRED EIGHTY-SEVEN-Q OF THE TAX LAW, BUT ONLY MANUFACTURING COMPANIES THAT BRING LONG TERM JOBS TO THE STATE SHALL BE ELIGIBLE FOR SUCH CREDIT, PROVIDED THAT:

(A) THE COMMISSIONER SHALL HAVE THE POWER TO DEFINE AND DETERMINE WHICH JOBS ARE "LONG TERM"; AND

(B) NOTWITHSTANDING PARAGRAPH (A) OF THIS SUBDIVISION, A MANUFACTURING COMPANY THAT LOSES ITS CONTRACT, CLOSES A FACILITY OR SUFFERS FROM A CATASTROPHIC EVENT AS DETERMINED BY THE COMMISSIONER SHALL NOT BE DEEMED INELIGIBLE FOR SUCH CREDIT.

S 2. The tax law is amended by adding a new section 187-q to read as follows:

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

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S 187-Q. MANUFACTURING JOBS INCENTIVE CREDIT. 1. GENERAL. A TAXPAYER SHALL BE ALLOWED A ONE TIME CREDIT, TO BE CREDITED AGAINST THE TAXES IMPOSED UNDER SECTIONS ONE HUNDRED EIGHTY-THREE, ONE HUNDRED EIGHTY-FOUR, AND ONE HUNDRED EIGHTY-FIVE OF THIS ARTICLE. SUCH CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED, SHALL BE ALLOWED FOR QUALIFIED MANUFACTURING COMPANIES PURSUANT TO SECTION ONE HUNDRED SEVEN OF THE ECONOMIC DEVELOPMENT LAW. PROVIDED, HOWEVER, THAT THE AMOUNT OF SUCH CREDIT ALLOWABLE AGAINST THE TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-FOUR OF THIS ARTICLE SHALL BE THE EXCESS OF THE CREDIT ALLOWED BY THIS SECTION OVER THE AMOUNT OF SUCH CREDIT ALLOWABLE AGAINST THE TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-THREE OF THIS ARTICLE.

2. AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT UNDER THIS SECTION SHALL BE 2.5 PERCENT OF THE AVERAGE SALARIES OF THE NEWLY CREATED MANUFACTURING JOBS MULTIPLIED BY THE NUMBER OF NEW JOBS BROUGHT INTO THE STATE BY SUCH COMPANIES.

3. CARRYOVER. IN NO EVENT SHALL THE CREDIT UNDER THIS SECTION BE ALLOWED IN AN AMOUNT WHICH WILL REDUCE THE TAX PAYABLE TO LESS THAN THE APPLICABLE MINIMUM TAX FIXED BY SECTION ONE HUNDRED EIGHTY-THREE OR ONE HUNDRED EIGHTY-FIVE OF THIS ARTICLE. IF, HOWEVER, THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF 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 3. This act shall take effect immediately and shall apply to taxable years beginning on or after the first of January next succeeding the date on which it shall have become a law; provided, however, that effective immediately, 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 and completed on or before such effective date.