

6277

2011-2012 Regular Sessions

I N A S S E M B L Y

March 11, 2011

Introduced by M. of A. KATZ -- read once and referred to the Committee
on Ways and Means

AN ACT to amend the tax law, in relation to providing a capital gains
and investment income tax exemption for resident New Yorkers investing
in a New York resident technology or science start-up company

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

1 Section 1. The tax law is amended by adding a new section 616-a to
2 read as follows:
3 S 616-A. NEW YORK TECHNOLOGY AND SCIENCE START-UP INVESTMENT TAX
4 EXEMPTION. (A) ANY CAPITAL GAINS OR INVESTMENT INCOME, AS DEFINED IN
5 SECTION TWO HUNDRED EIGHT OF THIS CHAPTER, IMPUTED TO A NEW YORK STATE
6 RESIDENT AS A RESULT OF INVESTMENTS MADE IN A TECHNOLOGY OR SCIENCE
7 COMPANY SHALL NOT BE TAXABLE UNDER THIS ARTICLE PROVIDED THE FOLLOWING:
8 (1) THE TECHNOLOGY OR SCIENCE COMPANY IS A START-UP COMPANY THAT HAS
9 BEEN IN OPERATION NOT EXCEEDING THREE YEARS; AND
10 (2) THE TECHNOLOGY OR SCIENCE COMPANY IS A RESIDENT OF NEW YORK STATE
11 AND TRANSACTS BUSINESS IN NEW YORK STATE; AND
12 (3) THE TAXPAYER FILING THE INCOME TAX RETURN IS ALSO A RESIDENT OF
13 NEW YORK STATE.
14 (B) FOR THE PURPOSES OF THIS SECTION THE TERM TECHNOLOGY OR SCIENCE
15 COMPANY SHALL INCLUDE, BUT NOT BE LIMITED TO COMPANIES WORKING TO
16 ADVANCE INDUSTRY BASED IN BIOLOGY, CHEMISTRY, COMPUTER SCIENCE, GEOLOGY,
17 INFORMATION SCIENCE AND TECHNOLOGY, MATHEMATICS, PHYSICS, BIOCHEMISTRY,
18 BIOPHYSICS, ENVIRONMENTAL SCIENCE, MATHEMATICS, NATURAL SCIENCE, NEUROS-
19 CIENCE - CELLULAR AND MOLECULAR, AND NANOSCIENCE.
20 S 2. This act shall take effect immediately and shall only apply to
21 tax returns filed after such effective date.

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

LBD09124-01-1