

7509

2011-2012 Regular Sessions

I N A S S E M B L Y

May 6, 2011

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

AN ACT to amend the tax law, in relation to creating a local produce tax
credit

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

1 Section 1. Section 210 of the tax law is amended by adding a new
2 subdivision 44 to read as follows:
3 44. LOCAL PRODUCE TAX CREDIT. (A) RESTAURANTS, TAVERNS, CAFETERIAS OR
4 OTHER BUSINESSES ENGAGED IN THE SALE OF FOODS PREPARED AND READY TO BE
5 EATEN MAY CLAIM THE LOCAL PRODUCE TAX CREDIT AGAINST THE TAX IMPOSED BY
6 THIS ARTICLE AT THE CLOSE OF THE TAX YEAR PROVIDED, HOWEVER, THAT THE
7 UNUSED PORTION OF ANY TAX CREDIT CLAIMED SHALL NOT BE CARRIED FORWARD
8 AND APPLIED IN ANOTHER TAX YEAR.
9 (B) FOR THE PURPOSES OF THIS SECTION THE FOLLOWING TERMS SHALL HAVE
10 THE FOLLOWING MEANINGS:
11 (1) "LOCAL PRODUCE" IS PRODUCE GROWN BY A PRODUCER WITH THE PRIDE OF
12 NEW YORK SYMBOL OF THE BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT
13 WITHIN THE STATE OF NEW YORK, FROM SEED OR CONCEPTION THROUGH FINAL
14 PRODUCT.
15 (2) "PRODUCER" IS AN INDIVIDUAL (WHETHER ACTING INDIVIDUALLY OR
16 THROUGH A COOPERATIVE, CORPORATION, PARTNERSHIP, BUSINESS ASSOCIATION,
17 OR EDUCATIONAL INSTITUTION) WHO IS A FARMER, STUDENT FARMER OR MANUFAC-
18 Turer OF FOODS OR GOODS IN NEW YORK STATE. IT SHALL NOT, HOWEVER,
19 INCLUDE A WHOLESALER OR DISTRIBUTOR.
20 (C) THE AMOUNT OF THE CREDIT SHALL BE ONE HUNDRED DOLLARS FOR EVERY
21 PURCHASE BY A BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT OF LOCAL
22 PRODUCE FOR SALE AT THE BUSINESS IN THE AGGREGATE AMOUNT OF ONE THOUSAND
23 DOLLARS OR MORE.
24 (D) BUSINESSES CLAIMING THE LOCAL PRODUCE TAX CREDIT SHALL SUBMIT A
25 COMPUTER-GENERATED REPORT WITH TAX RETURNS THAT CLAIM A TAX CREDIT. SUCH

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

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1 REPORT SHALL INCLUDE THE NATURE OF THE BUSINESS, THE NAME OF THE PRODUC-
2 ER AND THE PHYSICAL PLACE OF THE BUSINESS WHERE THE PRODUCTS ARE
3 PRODUCED AND THE AMOUNT PAID BY THE BUSINESS TO THE PRODUCER AND THE
4 AMOUNT OF UNITS PURCHASED.

5 S 2. Section 606 of the tax law is amended by adding a new subsection
6 (tt) to read as follows:

7 (TT) LOCAL PRODUCE TAX CREDIT. (1) RESTAURANTS, TAVERNS, CAFETERIAS OR
8 OTHER BUSINESSES ENGAGED IN THE SALE OF FOODS PREPARED AND READY TO BE
9 EATEN MAY CLAIM THE LOCAL PRODUCE TAX CREDIT AGAINST THE TAX IMPOSED BY
10 THIS ARTICLE AT THE CLOSE OF THE TAX YEAR PROVIDED, HOWEVER, THAT THE
11 UNUSED PORTION OF ANY TAX CREDIT CLAIMED SHALL NOT BE CARRIED FORWARD
12 AND APPLIED IN ANOTHER TAX YEAR.

13 (2) FOR THE PURPOSES OF THIS SECTION THE FOLLOWING TERMS SHALL HAVE
14 THE FOLLOWING MEANINGS:

15 (A) "LOCAL PRODUCE" IS PRODUCE GROWN BY A PRODUCER WITH THE PRIDE OF
16 NEW YORK SYMBOL OF THE BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT
17 WITHIN THE STATE OF NEW YORK, FROM SEED OR CONCEPTION THROUGH FINAL
18 PRODUCT.

19 (B) "PRODUCER" IS AN INDIVIDUAL (WHETHER ACTING INDIVIDUALLY OR
20 THROUGH A COOPERATIVE, CORPORATION, PARTNERSHIP, BUSINESS ASSOCIATION,
21 OR EDUCATIONAL INSTITUTION) WHO IS A FARMER, STUDENT FARMER OR MANUFAC-
22 Turer OF FOODS OR GOODS IN NEW YORK STATE. IT SHALL NOT, HOWEVER,
23 INCLUDE A WHOLESALER OR DISTRIBUTOR.

24 (3) THE AMOUNT OF THE CREDIT SHALL BE ONE HUNDRED DOLLARS FOR EVERY
25 PURCHASE BY A BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT OF LOCAL
26 PRODUCE FOR SALE AT THE BUSINESS IN THE AGGREGATE AMOUNT OF ONE THOUSAND
27 DOLLARS OR MORE.

28 (4) BUSINESSES CLAIMING THE LOCAL PRODUCE TAX CREDIT SHALL SUBMIT A
29 COMPUTER-GENERATED REPORT WITH TAX RETURNS THAT CLAIM A TAX CREDIT. SUCH
30 REPORT SHALL INCLUDE THE NATURE OF THE BUSINESS, THE NAME OF THE PROCE-
31 DURE AND THE PHYSICAL PLACE OF THE BUSINESS WHERE THE PRODUCTS ARE
32 PRODUCED AND THE AMOUNT PAID BY THE BUSINESS TO THE PRODUCER AND THE
33 AMOUNT OF UNITS PURCHASED.

34 S 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606
35 of the tax law is amended by adding a new clause (xxxiii) to read as
36 follows:

37 (XXXIII) LOCAL PRODUCE TAX CREDIT	AMOUNT OF CREDIT UNDER
38 UNDER SUBSECTION (TT)	SUBDIVISION FORTY-FOUR OF
39	SECTION TWO HUNDRED TEN

40 S 4. This act shall take effect immediately.