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

8327

2011-2012 Regular Sessions

I N A S S E M B L Y

June 13, 2011

Introduced by M. of A. LENTOL -- read once and referred to the Committee on Economic Development

AN ACT to amend the urban development corporation act, in relation to creating a north Brooklyn creative economic zone; and to amend the tax law, in relation to establishing tax credits for the north Brooklyn creative economic zone

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

Section 1. Section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act is amended by adding a new section 16-u to read as follows:

S 16-U. NORTH BROOKLYN CREATIVE ECONOMIC ZONE. 1. DEFINITIONS. FOR PURPOSES OF THIS SECTION:

(A) "CREATIVE BUSINESS" SHALL MEAN ANY CURRENT OR NEW BUSINESS THAT DEVELOPS PLANS TO ADD JOBS TO THE LOCAL ECONOMY WHILE CREATING NEW TECHNOLOGY OR NEW PRODUCT DESIGN AND WHICH HAS SUCCESSFULLY APPLIED FOR PATENTS IN THE TECHNOLOGY OR DESIGN THAT IT IS DEVELOPING OR HAS DEVELOPED.

(B) "MIXED-USE BUILDING" SHALL MEAN ANY SINGLE BUILDING THAT HOUSES RESIDENTIAL AND BUSINESS SPACE SHARED BY FOUR OR MORE BUSINESSES OR A NEW OR REDESIGNED BUILDING DESIGNED TO HOUSE SUCH USES.

2. THE EMPIRE STATE DEVELOPMENT CORPORATION SHALL ESTABLISH A NORTH BROOKLYN CREATIVE ECONOMIC ZONE IN THE FOLLOWING GEOGRAPHICAL AREA:

ALL OF THAT LAND WEST OF NEWTOWN CREEK AND, BEGINNING IN A SOUTHERLY DIRECTION ON FLUSHING AVENUE TO BUSHWICK AVENUE AND THEN CONTINUING IN A SOUTHEASTERLY DIRECTION TO ARION PLACE AND THEN CONTINUING IN A SOUTHWESTERLY DIRECTION TO BROADWAY AND THEN CONTINUING IN A SOUTHEASTERLY DIRECTION TO GATES AVENUE AND THEN CONTINUING IN A WESTERLY DIRECTION TO FULTON AVENUE AND THEN CONTINUING IN A NORTHWESTERLY DIRECTION TO FLATBUSH AVENUE AND THEN CONTINUING IN A NORTHWESTERLY DIRECTION TO THE EAST RIVER.

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

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3. THE CORPORATION SHALL CREATE FOUR BUSINESS INCUBATORS WITHIN THE ZONE CREATED IN SUBDIVISION TWO OF THIS SECTION, SPECIFIC TO DESIGN AND TECHNOLOGY, TO FOSTER AND GROW BUSINESSES THAT SEEK SHARED SPACE AND RESOURCES.

4. THE CORPORATION SHALL PROMOTE THE ESTABLISHMENT OF CREATIVE BUSINESSES. OWNERS OF SUCH BUSINESS SHALL BE ELIGIBLE FOR TAX CREDITS UNDER SECTION 36 OF THE TAX LAW.

5. THE CORPORATION SHALL CREATE A MENTORING PROGRAM WHEREIN ESTABLISHED BUSINESSES LEND TIME AND/OR EXPERTISE TO NEW BUSINESSES WITH THIS ZONE. BUSINESSES THAT PARTICIPATE AS MENTORS IN SUCH MENTORING PROGRAM SHALL BE ELIGIBLE FOR TAX CREDITS UNDER SECTION 36 OF THE TAX LAW.

S 2. The tax law is amended by adding a new section 36 to read as follows:

S 36. NORTH BROOKLYN CREATIVE ECONOMIC ZONE CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER WHICH IS QUALIFIED CREATIVE BUSINESS, AS THAT TERM IS DEFINED IN SECTION SIXTEEN-U OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION ACT, OR WHICH IS A QUALIFIED MENTOR PURSUANT TO SUCH SECTION, AND WHICH IS SUBJECT TO TAX UNDER ARTICLE NINE, NINE-A, TWENTY-TWO OR THIRTY-TWO OF THIS CHAPTER, SHALL BE ALLOWED A CREDIT AGAINST SUCH TAX, AS PROVIDED HEREIN:

(1) FOR A QUALIFIED CREATIVE BUSINESS THE CREDIT SHALL EQUAL EIGHT THOUSAND DOLLARS.

(2) FOR A QUALIFIED MENTOR THE CREDIT SHALL EQUAL TWELVE THOUSAND FIVE HUNDRED DOLLARS, PROVIDED THAT SUCH TAXPAYER PROVIDES DOCUMENTATION FROM THE EMPIRE STATE DEVELOPMENT CORPORATION THAT SUCH TAXPAYER HAS BEEN A MENTOR FOR A YEAR OR MORE AND THAT THE CREDIT IS SOUGHT SOLELY FOR THE TAXABLE YEAR IN WHICH IT IS A MENTOR.

(B) CARRYOVER. IF THE AMOUNT OF THE CREDIT, AND CARRYOVERS OF SUCH CREDIT, ALLOWABLE UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, SUCH EXCESS AMOUNT MAY BE CARRIED OVER TO THE FIVE TAXABLE YEARS NEXT FOLLOWING THE TAXABLE YEAR WITH RESPECT TO WHICH THE CREDIT IS ALLOWED AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR YEARS.

(C) LIMITATIONS. THIS CREDIT MAY ONLY BE CLAIMED FOR THE TAXABLE YEAR IN WHICH THE GIFT WAS DELIVERED PURSUANT TO THE DELIVERY REQUIREMENTS OF THIS SECTION AND ONLY BY THE DONOR OF SUCH ANATOMICAL GIFT. THIS CREDIT MAY ONLY BE CLAIMED ONCE.

S 3. This act shall take effect immediately.