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

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I N S E N A T E

March 16, 2012

Introduced by Sens. RANZENHOFER, RITCHIE, VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to establishing a credit for farmers who donate to a food bank or other emergency food program

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

Section 1. Section 606 of the tax law is amended by adding a new subsection (n-1) to read as follows:

(N-1) CREDIT FOR DONATIONS TO FOOD BANK OR EMERGENCY FOOD PROGRAM. (1) GENERAL. IN THE CASE OF A TAXPAYER WHO IS AN ELIGIBLE FARMER, THERE SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE TAXABLE YEAR REDUCED BY THE CREDITS PERMITTED BY THIS ARTICLE. THE AMOUNT OF THE CREDIT SHALL BE TWENTY-FIVE PERCENT OF THE TAXPAYER'S QUALIFIED DONATIONS, AS DEFINED IN PARAGRAPH (3) OF THIS SUBSECTION, MADE TO ANY FOOD BANK OR OTHER EMERGENCY FOOD PROGRAM OPERATING WITHIN THIS STATE. IF THE CREDIT EXCEEDS THE TAX AS SO REDUCED, THE TAXPAYER MAY RECEIVE, AND THE COMPTROLLER, SUBJECT TO A CERTIFICATE OF THE COMMISSIONER, SHALL PAY AS AN OVERPAYMENT, WITHOUT INTEREST, THE AMOUNT OF SUCH EXCESS.

(2) ELIGIBLE FARMER. FOR PURPOSES OF THIS SUBSECTION, THE TERM "ELIGIBLE FARMER" MEANS A TAXPAYER WHOSE FEDERAL GROSS INCOME FROM FARMING FOR THE TAXABLE YEAR IS AT LEAST TWO-THIRDS OF EXCESS FEDERAL GROSS INCOME. EXCESS FEDERAL GROSS INCOME MEANS THE AMOUNT OF FEDERAL GROSS INCOME FROM ALL SOURCES FOR THE TAXABLE YEAR REDUCED BY THE SUM (NOT TO EXCEED THIRTY THOUSAND DOLLARS) OF THOSE ITEMS INCLUDED IN FEDERAL GROSS INCOME WHICH CONSIST OF (I) EARNED INCOME, (II) PENSION PAYMENTS, INCLUDING SOCIAL SECURITY PAYMENTS, (III) INTEREST, AND (IV) DIVIDENDS. FOR PURPOSES OF THIS PARAGRAPH, THE TERM "EARNED INCOME" SHALL MEAN WAGES, SALARIES, TIPS AND OTHER EMPLOYEE COMPENSATION, AND THOSE ITEMS OF GROSS INCOME WHICH ARE INCLUDIBLE IN THE COMPUTATION OF NET EARNINGS FROM SELF-EMPLOYMENT. FOR THE PURPOSES OF THIS PARAGRAPH, PAYMENTS FROM THE STATE'S FARMLAND PROTECTION PROGRAM, ADMINISTERED BY THE DEPARTMENT OF

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

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AGRICULTURE AND MARKETS, SHALL BE INCLUDED AS FEDERAL GROSS INCOME FROM FARMING FOR OTHERWISE ELIGIBLE FARMERS.

(3) QUALIFIED DONATION. FOR PURPOSES OF THIS SUBSECTION, THE TERM "QUALIFIED DONATION" MEANS A DONATION OF ANY EDIBLE FOOD ITEM TO A FOOD BANK OR OTHER EMERGENCY FOOD PROGRAM OPERATING WITHIN THIS STATE.

S 2. This act shall take effect on January 1, 2012; provided, however, if this act shall have become a law after such date it shall take effect immediately and shall be deemed to have been in full force and effect on and after January 1, 2012.