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

137

2011-2012 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 5, 2011

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

AN ACT to amend the tax law, in relation to establishing a tax credit for businesses retrofitting heavy duty vehicles

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

Section 1. Section 210 of the tax law is amended by adding a new subdivision 43 to read as follows:

43. CREDIT FOR BUSINESSES RETROFITTING HEAVY DUTY VEHICLES. (A) GENERAL. A TAXPAYER WHOSE BUSINESS RETROFITS THEIR HEAVY DUTY VEHICLES TO COMPLY WITH THE DIESEL EMISSIONS REDUCTION ACT OF 2006 SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE, TO BE COMPUTED AS PROVIDED IN PARAGRAPH (C) OF THIS SUBDIVISION.

(B) DEFINITIONS. FOR PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(I) "HEAVY DUTY VEHICLE" OR "VEHICLE" MEANS ANY ON AND OFF-ROAD VEHICLE POWERED BY DIESEL FUEL AND HAVING A GROSS VEHICLE WEIGHT OF GREATER THAN EIGHT THOUSAND FIVE HUNDRED POUNDS, OR IN THE CASE OF A NON-ROAD VEHICLE, A VEHICLE POWERED BY DIESEL FUEL AND AN ENGINE WITH A RATING OF AT LEAST SEVENTY-FIVE HORSEPOWER.

(II) "RETROFITTING" MEANS ADDITION OF NEW OR BETTER POLLUTION CONTROL AFTER-TREATMENT EQUIPMENT TO DIESEL ENGINES, UPGRADING A DIESEL ENGINE TO A CLEANER CONFIGURATION AND EARLY REPLACEMENT OF OLDER ENGINES WITH NEWER, CLEANER ENGINES.

(C) AMOUNT OF CREDIT. THE AMOUNT OF CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER FOR RETROFITTING THEIR HEAVY DUTY VEHICLES TO COMPLY WITH THE DIESEL EMISSIONS REDUCTION ACT OF 2006. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVISION ONE OF THIS SECTION.

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

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

(SS) CREDIT FOR BUSINESSES RETROFITTING HEAVY DUTY VEHICLES. (1) GENERAL. A TAXPAYER WHOSE BUSINESS RETROFITS THEIR HEAVY DUTY VEHICLES TO COMPLY WITH THE DIESEL EMISSIONS REDUCTION ACT OF 2006 SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE, TO BE COMPUTED AS PROVIDED IN PARAGRAPH THREE OF THIS SUBSECTION.

(2) DEFINITIONS. FOR PURPOSES OF THIS SUBSECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(A) "HEAVY DUTY VEHICLE" OR "VEHICLE" MEANS ANY ON AND OFF-ROAD VEHICLE POWERED BY DIESEL FUEL AND HAVING A GROSS VEHICLE WEIGHT OF GREATER THAN EIGHT THOUSAND FIVE HUNDRED POUNDS, OR IN THE CASE OF A NON-ROAD VEHICLE, A VEHICLE POWERED BY DIESEL FUEL AND AN ENGINE WITH A RATING OF AT LEAST SEVENTY-FIVE HORSEPOWER.

(B) "RETROFITTING" MEANS ADDITION OF NEW OR BETTER POLLUTION CONTROL AFTER-TREATMENT EQUIPMENT TO DIESEL ENGINES, UPGRADING A DIESEL ENGINE TO A CLEANER CONFIGURATION AND EARLY REPLACEMENT OF OLDER ENGINES WITH NEWER, CLEANER ENGINES.

(3) AMOUNT OF CREDIT. THE AMOUNT OF CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER FOR RETROFITTING THEIR HEAVY DUTY VEHICLES TO COMPLY WITH THE DIESEL EMISSIONS REDUCTION ACT OF 2006. IN NO EVENT SHALL THE CREDIT PROVIDED IN THIS SUBSECTION BE ALLOWED IN EXCESS OF THE TAXPAYER'S TAX FOR SUCH YEAR.

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

(XXXII) CREDIT FOR BUSINESSES RETROFITTING HEAVY DUTY VEHICLES UNDER SUBSECTION (SS)	AMOUNT OF CREDIT UNDER SUBDIVISION FORTY-THREE OF SECTION TWO HUNDRED TEN

S 4. This act shall take effect immediately; provided, however, that the credits established by sections one, two and three of this act shall apply to taxable years beginning on or after January 1, 2009.