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

1628

2011-2012 Regular Sessions

I N S E N A T E

January 10, 2011

Introduced by Sen. SAMPSON -- 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 providing a credit for excessive residential insurance payments in certain cities

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

Section 1. The tax law is amended by adding a new section 623 to read as follows:

S 623. CREDIT FOR EXCESSIVE INSURANCE PAYMENTS IN A CITY HAVING A POPULATION OF ONE HUNDRED THOUSAND OR MORE. (A) GENERAL. A RESIDENT TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX OTHERWISE DUE UNDER THIS ARTICLE IN THE AMOUNT PAID BY HIM OR HER DURING THE TAXABLE YEAR FOR HOMEOWNER'S INSURANCE OR FIRE INSURANCE ON A SINGLE FAMILY OR A MULTI-FAMILY DWELLING CONTAINING NO MORE THAN THREE FAMILIES WHICH IS THE TAXPAYER'S PRINCIPAL PLACE OF RESIDENCE IN EXCESS OF AN AMOUNT DETERMINED BY MULTIPLYING THE MEAN RATE OF PREMIUM CHARGED PER THOUSAND FOR SUCH INSURANCE IN THE CITY OF HIS OR HER RESIDENCE TIMES THE NUMBER OF THOUSANDS OF DOLLARS OF SUCH INSURANCE FOR WHICH HE OR SHE PAID.

(B) LIMITATIONS. (1) THE CREDIT UNDER THIS SECTION SHALL NOT EXCEED THREE HUNDRED FIFTY DOLLARS, NOR IN ANY EVENT SHALL IT BE MORE THAN THE TAX OTHERWISE TO BE PAID BY THE TAXPAYER.

(2) SUCH CREDIT SHALL ONLY APPLY IN CITIES WITH A POPULATION OF ONE HUNDRED THOUSAND OR MORE.

(3) ONLY ONE TAXPAYER, OR HUSBAND AND WIFE FILING A JOINT RETURN, MAY CLAIM SUCH CREDIT AND IT WILL ONLY BE ALLOWED SO LONG AS THE QUALIFIED TAXPAYER OWNS AND RESIDES IN THE RESIDENCE WHICH WAS SO INSURED.

(C) THE SUPERINTENDENT OF INSURANCE SHALL COMPUTE ANNUALLY THE MEAN RATE OF PREMIUM CHARGED PER THOUSAND FOR HOMEOWNER'S INSURANCE AND FOR RESIDENTIAL FIRE INSURANCE IN EACH CITY HAVING A POPULATION OF ONE HUNDRED THOUSAND OR MORE.

S 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to all taxable years beginning on or after such effective date.

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

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