

4889

2011-2012 Regular Sessions

I N   S E N A T E

April 28, 2011

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Introduced by Sen. CARLUCCI -- 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 creating a local produce tax credit

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, 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 FROM SEED OR CONCEPTION THROUGH FINAL PRODUCT.
- 13    (2) "PRODUCER" IS AN INDIVIDUAL (WHETHER ACTING INDIVIDUALLY OR  
14    THROUGH A COOPERATIVE, CORPORATION, PARTNERSHIP, BUSINESS ASSOCIATION,  
15    OR EDUCATIONAL INSTITUTION) WHO IS A FARMER, STUDENT FARMER OR MANUFAC-  
16    Turer OF FOODS OR GOODS IN NEW YORK STATE. IT SHALL NOT, HOWEVER,  
17    INCLUDE A WHOLESALER OR DISTRIBUTOR.
- 18    (C) THE AMOUNT OF THE CREDIT SHALL BE ONE HUNDRED DOLLARS FOR EVERY  
19    PURCHASE BY A BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT OF LOCAL  
20    PRODUCE FOR SALE AT THE BUSINESS IN THE AGGREGATE AMOUNT OF ONE THOUSAND  
21    DOLLARS OR MORE.
- 22    (D) BUSINESSES CLAIMING THE LOCAL PRODUCE TAX CREDIT SHALL SUBMIT A  
23    COMPUTER-GENERATED REPORT WITH TAX RETURNS THAT CLAIM A TAX CREDIT. SUCH  
24    REPORT SHALL INCLUDE THE NATURE OF THE BUSINESS, THE NAME OF THE PRODUC-

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

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1 ER AND THE PHYSICAL PLACE OF THE BUSINESS WHERE THE PRODUCTS ARE  
2 PRODUCED AND THE AMOUNT PAID BY THE BUSINESS TO THE PRODUCER AND THE  
3 AMOUNT OF UNITS PURCHASED.

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

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

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

14 (A) "LOCAL PRODUCE" IS PRODUCE GROWN BY A PRODUCER WITH THE PRIDE OF  
15 NEW YORK SYMBOL FROM SEED OR CONCEPTION THROUGH FINAL PRODUCT.

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

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

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

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

34 (XXXIII) LOCAL PRODUCE TAX CREDIT	AMOUNT OF CREDIT UNDER
35 UNDER SUBSECTION (TT)	SUBDIVISION FORTY-FOUR OF
36	SECTION TWO HUNDRED TEN

37 S 4. This act shall take effect immediately.