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

6060--A

I N S E N A T E

(PREFILED)

January 4, 2012

Introduced by Sens. SEWARD, BONACIC, FARLEY, HANNON, JOHNSON, LARKIN, LITTLE, McDONALD -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to establishing a tax credit for victims of Hurricane Irene and Tropical Storm Lee

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 (uu) to read as follows:

(UU) TAX CREDIT FOR VICTIMS OF HURRICANE IRENE AND TROPICAL STORM LEE. (1) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT FOR TAXABLE YEARS TWO THOUSAND ELEVEN AND TWO THOUSAND TWELVE, TO BE COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE. FOR PURPOSES OF THIS PARAGRAPH, THE TERM "QUALIFIED TAXPAYER" MEANS A BUSINESS OR RESIDENT TAXPAYER.

(2) AMOUNT OF CREDIT. (A) THE AMOUNT OF THE CREDIT SHALL BE EQUAL TO THE AMOUNT OF SCHOOL TAXES PAID FOR THE TWO THOUSAND ELEVEN-TWO THOUSAND TWELVE SCHOOL YEAR AND THE AMOUNT OF ANY CITY, VILLAGE, TOWN AND COUNTY TAXES PAID IN TAXABLE YEAR TWO THOUSAND TWELVE WITH RESPECT TO ANY PROPERTY WHICH RECEIVED SUBSTANTIAL DAMAGE AS A RESULT OF HURRICANE IRENE OR TROPICAL STORM LEE IN TWO THOUSAND ELEVEN.

(B) FOR PURPOSES OF THIS SUBSECTION, THE TERM "SUBSTANTIAL DAMAGE" MEANS DAMAGE OF ANY ORIGIN SUSTAINED BY A STRUCTURE WHEREBY THE COST OF RESTORING THE STRUCTURE TO ITS BEFORE DAMAGED CONDITION WOULD EQUAL OR EXCEED FIFTY PERCENT OF THE MARKET VALUE OF THE STRUCTURE BEFORE THE DAMAGE OCCURRED.

(3) ELIGIBILITY. (A) THE CREDIT SHALL ONLY BE ALLOWED WHERE THE AFFECTED PROPERTY IS LOCATED IN A COUNTY IN THIS STATE WHICH WAS DECLARED A FEDERAL DISASTER AREA AND IS ELIGIBLE TO RECEIVE FEDERAL AID OR ASSISTANCE FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY AS A RESULT OF HURRICANE IRENE OR TROPICAL STORM LEE IN TWO THOUSAND ELEVEN.

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

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(B) THE CREDIT UNDER THIS SUBSECTION SHALL ONLY BE ALLOWED IF THE PROPERTY IS CONSIDERED THE TAXPAYER'S PRIMARY RESIDENCE.

(4) APPLICATION OF CREDIT. IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBSECTION SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

S 2. This act shall take effect immediately.