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

6140

I N S E N A T E

January 5, 2012

Introduced by Sen. LANZA -- 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 personal income tax credit for certain tolls and fares paid for the use of transportation facilities operated by the port authority of New York and New Jersey

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) PORT AUTHORITY TOLL CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE EQUAL TO TWENTY PERCENT OF (A) ANY TOLLS PAID BY THE TAXPAYER DURING THE TAX YEAR FOR THE OPERATION OF A MOTOR VEHICLE ACROSS A BRIDGE OR THROUGH A TUNNEL PROJECT OR IMPROVEMENT THAT IS MAINTAINED AND OPERATED BY THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, AND (B) ANY FARES PAID BY THE TAXPAYER DURING THE TAX YEAR FOR THE CARRIAGE OF A PASSENGER BY PASSENGER RAIL SERVICE OVER A RAILROAD OR THROUGH A TUBE OR TUNNEL PROJECT OR IMPROVEMENT THAT IS MAINTAINED AND OPERATED BY THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY OR ANY SUBSIDIARY THEREOF; IF IN THE AGGREGATE, SUCH TOLLS AND FARES PAID BY THE TAXPAYER DURING THE TAX YEAR EXCEED TWO PERCENT OF SUCH TAXPAYER'S FEDERAL ADJUSTED GROSS INCOME FOR SUCH TAX YEAR.

(2) NO CREDIT SHALL BE GRANTED PURSUANT TO THIS SUBSECTION FOR TOLLS OR FARES:

(A) PAID AS A FINE, ADMINISTRATIVE FEE OR OTHER TYPE OF PAYMENT MADE FOR VIOLATION OF A TOLL OR FARE;

(B) PAID AS AN ADMINISTRATIVE FEE, PROCESSING FEE OR OTHER PAYMENT FOR THE PURPOSE OF ESTABLISHING AN ELECTRONIC TOLLING ACCOUNT, ACQUIRING ELECTRONIC TOLLING EQUIPMENT OR ANY OTHER ADMINISTRATIVE PURPOSE;

(C) REIMBURSED TO THE TAXPAYER BY OR FOR THE TAXPAYER'S EMPLOYER;

(D) DEDUCTIBLE BY THE TAXPAYER FROM FEDERAL ADJUSTED GROSS INCOME AS AN UNREIMBURSED EMPLOYEE EXPENSE PURSUANT TO SECTION 162 OF THE FEDERAL

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

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INTERNAL REVENUE CODE, WITHOUT REGARD TO ANY LIMITS OR FLOOR DETERMINED PURSUANT TO SECTION 67 OF SUCH CODE, EVEN IF NOT SO DEDUCTED;

(E) DEDUCTIBLE IN DETERMINING TAXABLE INCOME OF A BUSINESS CORPORATION PURSUANT TO ARTICLE NINE-A OF THIS CHAPTER; AND

(F) DEDUCTIBLE IN DETERMINING THE TAXABLE INCOME OF THE TAXPAYER PURSUANT TO ANY OTHER PROVISION OF THIS ARTICLE.

(3) IF DURING ANY TAX YEAR, THE TAX CREDIT GRANTED PURSUANT TO THIS SUBSECTION EXCEEDS TAX AS REDUCED BY ALL OTHER CREDITS GRANTED PURSUANT TO THIS ARTICLE, 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.

S 2. This act shall take effect immediately and shall apply to tax years commencing on or after January 1, 2012.