

6524

I N S E N A T E

February 23, 2012

Introduced by Sen. GRISANTI -- 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 an asbestos remediation tax credit

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

- 1 Section 1. The tax law is amended by adding a new section 23-a to read  
2 as follows:
- 3 S 23-A. ASBESTOS REMEDIATION CREDIT. (A) DEFINITIONS. AS USED IN THIS  
4 SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:
- 5 (1) QUALIFIED STRUCTURE. "QUALIFIED STRUCTURE" SHALL MEAN (I) A BUILD-  
6 ING, PRINCIPALLY USED BY THE TAXPAYER FOR RESIDENTIAL, INDUSTRIAL,  
7 COMMERCIAL, RECREATIONAL OR ENVIRONMENTAL CONSERVATION PURPOSES, AND  
8 (II) WHICH WAS ORIGINALLY PLACED IN SERVICE AT LEAST TWENTY-FIVE YEARS  
9 PRIOR TO THE TAXABLE YEAR IN WHICH THE CREDIT IS CLAIMED.
- 10 (2) ELIGIBLE COSTS. "ELIGIBLE COSTS" SHALL MEAN ALL AMOUNTS PROPERLY  
11 CHARGEABLE TO A CAPITAL ACCOUNT, WHICH ARE INCURRED IN DIRECT CONNECTION  
12 TO ASBESTOS REMEDIATION OF A QUALIFIED ASBESTOS PROJECT.
- 13 (3) QUALIFIED ASBESTOS PROJECT. "QUALIFIED ASBESTOS PROJECT" SHALL BE  
14 AN ASBESTOS PROJECT AS DEFINED IN SECTION NINE HUNDRED ONE OF THE LABOR  
15 LAW AND UNDERTAKEN BY THE TAXPAYER, ON A QUALIFIED STRUCTURE, AND  
16 COMPLETED PURSUANT TO THE APPLICABLE REGULATIONS AT PART FIFTY-SIX OF  
17 TITLE TWELVE OF THE OFFICIAL COMPILATION OF RULES AND REGULATIONS OF THE  
18 STATE.
- 19 (B) ASBESTOS REMEDIATION CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER  
20 WHO HAS UNDERTAKEN A QUALIFIED ASBESTOS PROJECT ON A QUALIFIED STRUC-  
21 TURE, AND WHO IS SUBJECT TO TAX UNDER ARTICLE NINE, NINE-A OR TWENTY-TWO  
22 OF THIS CHAPTER, SHALL BE ALLOWED A CREDIT AGAINST SUCH TAX, PURSUANT TO  
23 THE PROVISIONS REFERENCED IN SUBDIVISION (C) OF THIS SECTION.
- 24 (2) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE TWENTY PERCENT  
25 OF ALL ELIGIBLE COSTS WHICH ARE INCURRED IN THE TAXABLE YEAR, AS A  
26 RESULT OF ASBESTOS REMEDIATION WITH A QUALIFIED ASBESTOS PROJECT. THE  
27 CREDIT SHALL BE ALLOWED FOR THE TAXABLE YEAR IN WHICH THE QUALIFIED

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

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1 ASBESTOS PROJECT IS FIRST COMMENCED AND FOR THE NEXT TWO SUCCEEDING  
 2 TAXABLE YEARS. THE COSTS, EXPENSES AND OTHER AMOUNTS FOR WHICH A CREDIT  
 3 IS ALLOWED AND CLAIMED UNDER THIS SUBDIVISION SHALL NOT BE USED IN THE  
 4 CALCULATION OF ANY OTHER CREDIT ALLOWED UNDER THIS CHAPTER.

5 (C) CROSS-REFERENCES. FOR APPLICATION OF THE CREDIT PROVIDED FOR IN  
 6 THIS SECTION, SEE THE FOLLOWING PROVISIONS OF THIS CHAPTER:

7 ARTICLE 9: SECTION 187-S.

8 ARTICLE 9-A: SECTION 210, SUBDIVISION 45.

9 ARTICLE 22: SECTION 606, SUBSECTIONS (I) AND (UU).

10 S 2. The tax law is amended by adding a new section 187-s to read as  
 11 follows:

12 S 187-S. ASBESTOS REMEDIATION CREDIT. 1. ALLOWANCE OF CREDIT. A  
 13 TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN  
 14 SECTION TWENTY-THREE-A OF THIS CHAPTER, AGAINST THE TAXES IMPOSED BY  
 15 THIS ARTICLE. PROVIDED, HOWEVER, THAT THE AMOUNT OF SUCH CREDIT ALLOW-  
 16 ABLE AGAINST THE TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-FOUR OF THIS  
 17 ARTICLE SHALL BE THE EXCESS OF THE AMOUNT OF SUCH CREDIT OVER THE AMOUNT  
 18 OF ANY CREDIT ALLOWED BY THIS SECTION AGAINST THE TAX IMPOSED BY SECTION  
 19 ONE HUNDRED EIGHTY-THREE OF THIS ARTICLE.

20 2. APPLICATION OF CREDIT. THE CREDIT UNDER THIS SECTION FOR ANY TAXA-  
 21 BLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE  
 22 APPLICABLE MINIMUM TAX PRESCRIBED BY THIS ARTICLE. IF, HOWEVER, THE  
 23 AMOUNT OF CREDIT ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR  
 24 REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN  
 25 SUCH TAXABLE YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE  
 26 REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND  
 27 EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF  
 28 SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER  
 29 NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

30 S 3. Section 210 of the tax law is amended by adding a new subdivision  
 31 45 to read as follows:

32 45. ASBESTOS REMEDIATION CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER  
 33 WHO HAS UNDERTAKEN A QUALIFIED ASBESTOS PROJECT ON AN EXISTING STRUCTURE  
 34 SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION TWEN-  
 35 TY-THREE-A OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

36 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION  
 37 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS  
 38 THAN THE HIGHER AMOUNT PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVI-  
 39 SION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDITS ALLOWED  
 40 UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH  
 41 AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR  
 42 SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN  
 43 ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND EIGHTY-SIX OF  
 44 THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF SUBSECTION (C) OF  
 45 SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING, NO  
 46 INTEREST SHALL BE PAID THEREON.

47 S 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
 48 of the tax law is amended by adding a new clause (xxxiv) to read as  
 49 follows:

50 (XXXIV) ASBESTOS REMEDIATION CREDIT AMOUNT OF CREDIT UNDER  
 51 SUBDIVISION FORTY-FIVE OF  
 52 SECTION TWO HUNDRED TEN

53 S 5. Section 606 of the tax law is amended by adding a new subsection  
 54 (uu) to read as follows:

1 (UU) ASBESTOS REMEDIATION CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER  
2 WHO HAS UNDERTAKEN A QUALIFIED ASBESTOS PROJECT ON AN EXISTING STRUCTURE  
3 SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION TWEN-  
4 TY-THREE-A OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.  
5 (2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER  
6 THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR  
7 SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE  
8 CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX  
9 HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST  
10 SHALL BE PAID THEREON.  
11 S 6. This act shall take effect immediately and shall apply to taxable  
12 years commencing on or after January 1, 2012.