6804

IN SENATE

March 23, 2012

Introduced by Sen. ESPAILLAT -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

AN ACT to amend the administrative code of the city of New York and the tax law, in relation to establishing a tax table benefit recapture; and in relation to New York city personal income tax rates

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

Section 1. Section 11-1701 of the administrative code of the city of New York is amended by adding a new subdivision (i) to read as follows:

- (I) TAX TABLE BENEFIT RECAPTURE. FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN, THERE IS HEREBY IMPOSED A SUPPLEMENTAL TAX, IN ADDITION TO THE TAX IMPOSED UNDER THE OPENING PARAGRAPH OF THIS SECTION, FOR THE PURPOSE OF RECAPTURING THE BENEFIT OF THE TAX TABLES CONTAINED IN SUBDIVISION (A) OF THIS SECTION. THE SUPPLEMENTAL TAX SHALL BE AN AMOUNT EQUAL TO THE SUM OF THE TAX TABLE BENEFITS IN PARAGRAPHS ONE, TWO AND THREE OF THIS SUBDIVISION MULTIPLIED BY THEIR RESPECTIVE FRACTIONS IN SUCH PARAGRAPHS.
- 11 (1) RESIDENT MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING 12 SPOUSES. SUBPARAGRAPHS (A) AND (B) OF THIS PARAGRAPH APPLY ONLY TO 13 FILERS WHOSE TAXABLE INCOME EXCEEDS \$250,000.
 - (A) THE TAX TABLE BENEFIT IS \$333.

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- (B) THE FRACTION IS COMPUTED AS FOLLOWS: THE NUMERATOR IS THE LESSER OF FIFTY THOUSAND DOLLARS OR THE EXCESS OF NEW YORK ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR OVER TWO HUNDRED FIFTY THOUSAND DOLLARS AND THE DENOMINATOR IS FIFTY THOUSAND DOLLARS.
- (2) RESIDENT UNMARRIED INDIVIDUALS AND RESIDENT MARRIED INDIVIDUALS FILING SEPARATE RETURNS. SUBPARAGRAPHS (A) AND (B) OF THIS PARAGRAPH APPLY ONLY TO FILERS WHOSE TAXABLE INCOME EXCEEDS \$150,000.
 - (A) THE TAX TABLE BENEFIT IS \$185.
- 23 (B) THE FRACTION IS COMPUTED AS FOLLOWS: THE NUMERATOR IS THE LESSER 24 OF FIFTY THOUSAND DOLLARS OR THE EXCESS OF NEW YORK ADJUSTED GROSS 25 INCOME FOR THE TAXABLE YEAR OVER ONE HUNDRED FIFTY THOUSAND DOLLARS AND 26 THE DENOMINATOR IS FIFTY THOUSAND DOLLARS.

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

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S. 6804 2

1 (3) RESIDENT HEAD OF HOUSEHOLD. SUBPARAGRAPHS (A) AND (B) OF THIS 2 PARAGRAPH APPLY ONLY TO FILERS WHOSE TAXABLE INCOME EXCEEDS \$180,000.

- (A) THE TAX TABLE BENEFIT IS \$222.
- (B) THE FRACTION IS COMPUTED AS FOLLOWS: THE NUMERATOR IS THE LESSER OF FIFTY THOUSAND DOLLARS OR THE EXCESS OF NEW YORK ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR OVER ONE HUNDRED EIGHTY THOUSAND DOLLARS AND THE DENOMINATOR IS FIFTY THOUSAND DOLLARS.
- 8 S 2. Paragraph 1 of subdivision (a) of section 11-1701 of the admin-9 istrative code of the city of New York is amended by adding a new 10 subparagraph (C) to read as follows:
 - (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

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12 IF THE CITY TAXABLE INCOME IS:
13 NOT OVER $21,600
14 OVER $21,600 BUT NOT
15 OVER $45,000
16 OVER $45,000
17 OVER $90,000
18 OVER $90,000
19 OVER $150,000
20 OVER $150,000
21 OVER $500,000
22 OVER $500,000
23 OVER $1,000,000
24 OVER $1,000,000
25 OVER $1,000,000
26 OVER $2,000,000
26 OVER $2,000,000
27 OVER $2,000,000
28 OVER $1,000,000
29 OVER $1,000,000
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20 OVER $1,000,000
21 OVER $1,000,000
22 OVER $1,000,000
23 OVER $1,000,000
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27 OVER $2,000,000
28 OVER $2,000,000
29 OVER $2,000,000
20 OVER $2,000,000
20 OVER $2,000,000
21 OVER $2,000,000
22 OVER $2,000,000
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24 OVER $1,000,000
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27 OVER $2,000,000
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- 28 S 3. Paragraph 2 of subdivision (a) of section 11-1701 of the adminis-29 trative code of the city of New York is amended by adding a new subpara-30 graph (C) to read as follows:
- 31 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

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32 IF THE CITY TAXABLE INCOME IS:
33 NOT OVER $14,400
34 OVER $14,400 BUT NOT
35 OVER $30,000
36 OVER $30,000 BUT NOT
37 OVER $60,000
38 OVER $60,000
39 OVER $100,000
40 OVER $100,000
40 OVER $500,000
41 OVER $500,000
42 OVER $500,000
43 OVER $1,000,000
44 OVER $1,000,000
45 OVER $1,000,000
46 OVER $2,000,000
46 OVER $2,000,000
47 OVER $2,000,000
48 OVER $1,000,000
49 OVER $1,000,000
40 OVER $1,000,000
41 OVER $1,000,000
42 OVER $1,000,000
43 OVER $1,000,000
44 OVER $1,000,000
45 OVER $2,000,000
46 OVER $2,000,000
47 OVER $2,000,000
48 OVER $2,000,000
49 OVER $2,000,000
40 OVER $2,000,000
41 OVER $2,000,000
42 OVER $2,000,000
43 OVER $2,000,000
44 OVER $1,000,000
45 OVER $2,000,000
46 OVER $2,000,000
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- S 4. Paragraph 3 of subdivision (a) of section 11-1701 of the adminis-49 trative code of the city of New York is amended by adding a new subpara-50 graph (C) to read as follows:
- 51 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

S. 6804

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1 IF THE CITY TAXABLE INCOME IS:
2 NOT OVER $12,000
3 OVER $12,000 BUT NOT
4 OVER $25,000
5 OVER $25,000 BUT NOT
6 OVER $50,000
7 OVER $50,000 BUT NOT
8 OVER $83,000
9 OVER $83,000 BUT NOT
10 OVER $500,000
11 OVER $500,000 BUT NOT
10 OVER $1,000,000
12 OVER $1,000,000
13 OVER $1,000,000
14 OVER $2,000,000
15 OVER $2,000,000
16 OVER $2,000,000
17 OVER $1,000,000
18 OVER $1,000,000
19 OVER $1,000,000
10 OVER $1,000,000
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16 OVER $2,000,000
17 OVER $2,000,000
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19 OVER $2,000,000
10 OVER $2,000,000
11 OVER $2,000,000
12 OVER $2,000,000
13 OVER $1,000,000
14 OVER $2,000,000
15 OVER $2,000,000
16 OVER $2,000,000
 10 OVER $500,000
 11
 12 OVER $1,000,000
 13
 14
 15
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                 S 5. Paragraph 1 of subsection (a) of section 1304 of the tax law is
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               amended by adding a new subparagraph (C) to read as follows:
              (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:
 19
20 IF THE CITY TAXABLE INCOME IS:
21 NOT OVER $21,600
22 OVER $21,600 BUT NOT
23 OVER $45,000
24 OVER $45,000
25 OVER $90,000
26 OVER $90,000
27 OVER $150,000
28 OVER $150,000
29 OVER $500,000
30 OVER $500,000
31 OVER $1,000,000
32 OVER $1,000,000
33 OVER $1,000,000
34 OVER $2,000,000
35 OVER $2,000,000
36 OVER $1,000,000
37 OVER $1,000,000
38 OVER $1,000,000
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30 OVER $1,000,000
31 OVER $1,000,000
32 OVER $1,000,000
33 OVER $2,000,000
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35 OVER $2,000,000
36 OVER $2,000,000
37 OVER $2,000,000
38 OVER $2,000,000
39 OVER $2,000,000
30 OVER $2,000,000
30 OVER $2,000,000
31 OVER $2,000,000
32 OVER $2,000,000
34 OVER $2,000,000
 36
             S 6. Paragraph 2 of subsection (a) of section 1304 of the tax law is
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             amended by adding a new subparagraph (C) to read as follows:
 38
                       (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:
               IF THE CITY TAXABLE INCOME IS: THE TAX IS:
 39
39 IF THE CITY TAXABLE INCOME IS:
40 NOT OVER $14,400
41 OVER $14,400 BUT NOT
42 OVER $30,000
43 OVER $30,000
44 OVER $60,000
45 OVER $60,000
46 OVER $100,000
47 OVER $100,000
48 OVER $500,000
49 OVER $500,000
49 OVER $500,000
51 OVER $1,000,000 BUT NOT
50 OVER $1,000,000
51 OVER $1,000,000 BUT NOT
50 OVER $1,000,000 BUT NOT
50 OVER $1,000,000
51 OVER $1,000,000 BUT NOT
50 OVER $1,000,000 BUT NOT
                                                                                                                                                            2.168% OF THE CITY TAXABLE INCOME
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S. 6804 4

1 OVER \$2,000,000 OVER \$1,000,000 2 OVER \$2,000,000 \$69,681 PLUS 3.8% OF EXCESS 3 OVER \$2,000,000

S 7. Paragraph 3 of subsection (a) of section 1304 of the tax law is amended by adding a new subparagraph (C) to read as follows:

(C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN: 7 IF THE CITY TAXABLE INCOME IS: THE TAX IS: NOT OVER \$12,000 2.168% OF THE CITY TAXABLE INCOME \$260 PLUS 2.635% OF EXCESS 9 OVER \$12,000 BUT NOT OVER \$25,000 OVER \$12,000 10 OVER \$25,000 BUT NOT \$603 PLUS 2.993% OF EXCESS 11 12 OVER \$50,000 OVER \$25,000 13 OVER \$50,000 BUT NOT \$1,351 PLUS 3.15% OF EXCESS 14 OVER \$83,000 OVER \$50,000 OVER \$83,000 BUT NOT 15 \$2,400 PLUS 3.2% OF EXCESS OVER \$500,000 16 OVER \$83,000 17 OVER \$500,000 BUT NOT \$15,734 PLUS 3.4% OF EXCESS OVER \$1,000,000 OVER \$500,000 18 19 OVER \$1,000,000 BUT NOT \$32,734 PLUS 3.7% OF EXCESS 20 OVER \$1,000,000 OVER \$2,000,000 \$69,734 PLUS 3.8% OF EXCESS 21 OVER \$2,000,000 22 OVER \$2,000,000

23 S 8. The commissioner of taxation and finance shall take steps to 24 publicize the necessary adjustments to estimated tax and, to the extent 25 reasonably possible, to inform the taxpayer of the tax liability changes 26 made by this act.

27 S 9. This act shall take effect immediately.