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

6804

I N S E N A T E

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.

(1) RESIDENT MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES. SUBPARAGRAPHS (A) AND (B) OF THIS PARAGRAPH APPLY ONLY TO FILERS WHOSE TAXABLE INCOME EXCEEDS $250,000.

(A) THE TAX TABLE BENEFIT IS $333.

(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.

(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 FIFTY THOUSAND DOLLARS AND 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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(3) RESIDENT HEAD OF HOUSEHOLD. SUBPARAGRAPHS (A) AND (B) OF THIS 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.

S 2. Paragraph 1 of subdivision (a) of section 11-1701 of the administrative code of the city of New York is amended by adding a new subparagraph (C) to read as follows:

(C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

IF THE CITY TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $21,600	2.168% OF THE CITY TAXABLE INCOME
OVER $21,600 BUT NOT OVER $45,000	$468 PLUS 2.635% OF EXCESS OVER $21,600
OVER $45,000 BUT NOT OVER $90,000	$1,085 PLUS 2.993% OF EXCESS OVER $45,000
OVER $90,000 BUT NOT OVER $150,000	$2,432 PLUS 3.15% OF EXCESS OVER $90,000
OVER $150,000 BUT NOT OVER $500,000	$4,322 PLUS 3.2% OF EXCESS OVER $150,000
OVER $500,000 BUT NOT OVER $1,000,000	$15,522 PLUS 3.4% OF EXCESS OVER $500,000
OVER $1,000,000 BUT NOT OVER $2,000,000	$32,522 PLUS 3.7% OF EXCESS OVER $1,000,000
OVER $2,000,000	$69,522 PLUS 3.8% OF EXCESS OVER $2,000,000

S 3. Paragraph 2 of subdivision (a) of section 11-1701 of the administrative code of the city of New York is amended by adding a new subparagraph (C) to read as follows:

(C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

IF THE CITY TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $14,400	2.168% OF THE CITY TAXABLE INCOME
OVER $14,400 BUT NOT OVER $30,000	$312 PLUS 2.635% OF EXCESS OVER $14,400
OVER $30,000 BUT NOT OVER $60,000	$723 PLUS 2.993% OF EXCESS OVER $30,000
OVER $60,000 BUT NOT OVER $100,000	$1,621 PLUS 3.15% OF EXCESS OVER $60,000
OVER $100,000 BUT NOT OVER $500,000	$2,881 PLUS 3.2% OF EXCESS OVER $100,000
OVER $500,000 BUT NOT OVER $1,000,000	$15,681 PLUS 3.4% OF EXCESS OVER $500,000
OVER $1,000,000 BUT NOT OVER $2,000,000	$32,681 PLUS 3.7% OF EXCESS OVER $1,000,000
OVER $2,000,000	$69,681 PLUS 3.8% OF EXCESS OVER $2,000,000

S 4. Paragraph 3 of subdivision (a) of section 11-1701 of the administrative code of the city of New York is amended by adding a new subparagraph (C) to read as follows:

(C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND THIRTEEN:

IF THE CITY TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $12,000	2.168% OF THE CITY TAXABLE INCOME
OVER $12,000 BUT NOT OVER $25,000	$260 PLUS 2.635% OF EXCESS OVER $12,000
OVER $25,000 BUT NOT OVER $50,000	$603 PLUS 2.993% OF EXCESS OVER $25,000
OVER $50,000 BUT NOT OVER $83,000	$1,351 PLUS 3.15% OF EXCESS OVER $50,000
OVER $83,000 BUT NOT OVER $500,000	$2,400 PLUS 3.2% OF EXCESS OVER $83,000
OVER $500,000 BUT NOT OVER $1,000,000	$15,734 PLUS 3.4% OF EXCESS OVER $500,000
OVER $1,000,000 BUT NOT OVER $2,000,000	$32,734 PLUS 3.7% OF EXCESS OVER $1,000,000
OVER $2,000,000	$69,734 PLUS 3.8% OF EXCESS OVER $2,000,000

S 5. Paragraph 1 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:

IF THE CITY TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $21,600	2.168% OF THE CITY TAXABLE INCOME
OVER $21,600 BUT NOT OVER $45,000	$468 PLUS 2.635% OF EXCESS OVER $21,600
OVER $45,000 BUT NOT OVER $90,000	$1,085 PLUS 2.993% OF EXCESS OVER $45,000
OVER $90,000 BUT NOT OVER $150,000	$2,432 PLUS 3.15% OF EXCESS OVER $90,000
OVER $150,000 BUT NOT OVER $500,000	$4,322 PLUS 3.2% OF EXCESS OVER $150,000
OVER $500,000 BUT NOT OVER $1,000,000	$15,522 PLUS 3.4% OF EXCESS OVER $500,000
OVER $1,000,000 BUT NOT OVER $2,000,000	$32,522 PLUS 3.7% OF EXCESS OVER $1,000,000
OVER $2,000,000	$69,522 PLUS 3.8% OF EXCESS OVER $2,000,000

S 6. Paragraph 2 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:

IF THE CITY TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $14,400	2.168% OF THE CITY TAXABLE INCOME
OVER $14,400 BUT NOT OVER $30,000	$312 PLUS 2.635% OF EXCESS OVER $14,400
OVER $30,000 BUT NOT OVER $60,000	$723 PLUS 3.15% OF EXCESS OVER $30,000
OVER $60,000 BUT NOT OVER $100,000	$1,621 PLUS 3.15% OF EXCESS OVER $60,000
OVER $100,000 BUT NOT OVER $500,000	$2,881 PLUS 3.2% OF EXCESS OVER $100,000
OVER $500,000 BUT NOT OVER $1,000,000	$15,681 PLUS 3.4% OF EXCESS OVER $500,000
OVER $1,000,000 BUT NOT	$32,681 PLUS 3.7% OF EXCESS

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

IF THE CITY TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $12,000	2.168% OF THE CITY TAXABLE INCOME
OVER $12,000 BUT NOT	$260 PLUS 2.635% OF EXCESS
OVER $25,000	OVER $12,000
OVER $25,000 BUT NOT	$603 PLUS 2.993% OF EXCESS
OVER $50,000	OVER $25,000
OVER $50,000 BUT NOT	$1,351 PLUS 3.15% OF EXCESS
OVER $83,000	OVER $50,000
OVER $83,000 BUT NOT	$2,400 PLUS 3.2% OF EXCESS
OVER $500,000	OVER $83,000
OVER $500,000 BUT NOT	$15,734 PLUS 3.4% OF EXCESS
OVER $1,000,000	OVER $500,000
OVER $1,000,000 BUT NOT	$32,734 PLUS 3.7% OF EXCESS
OVER $2,000,000	OVER $1,000,000
OVER $2,000,000	$69,734 PLUS 3.8% OF EXCESS
	OVER $2,000,000

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

S 9. This act shall take effect immediately.