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

2979

2013-2014 Regular Sessions

I N A S S E M B L Y

January 22, 2013

Introduced by M. of A. ORTIZ -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to providing a tax credit to small businesses that purchase and install a security system

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

Section 1. Section 210 of the tax law is amended by adding a new subdivision 24-a to read as follows:

24-A. CREDIT FOR SMALL BUSINESS PURCHASE OF SECURITY SYSTEM. (A) A TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE, FOR THE PURCHASE, OTHER THAN FOR RESALE, OF A SECURITY SYSTEM.

(B) FOR THE PURPOSES OF THIS SUBDIVISION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(1) "SECURITY SYSTEM" IS DEFINED AS A SYSTEM INSTALLED TO DETECT INTRUSION, BREAK-IN, MOVEMENT, SOUND OR FIRE.

(2) "SMALL BUSINESS" MEANS A NEW YORK TAXPAYER AS DEFINED IN PARAGRAPH (F) OF SUBDIVISION ONE OF THIS SECTION WHO HAS FEWER THAN FIFTY EMPLOYEES IN THE INITIAL TAXABLE YEAR FOR WHICH THE CREDIT IS CLAIMED.

(C) THE AMOUNT OF CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER FOR THE PURCHASE AND INSTALLATION OF SUCH SECURITY SYSTEM DURING THE TAXABLE YEAR OF PURCHASE, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH PURCHASE AND INSTALLATION. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVISION ONE OF THIS SECTION.

S 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xxxv) to read as follows:

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

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(XXXV) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF A SECURITY SYSTEM UNDER SUBSECTION (S-1)

PURCHASE AND INSTALLATION COSTS OF A SECURITY SYSTEM UNDER SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OR SUBSECTION (J-1) OF SECTION FOURTEEN HUNDRED FIFTY-SIX

S 3. Section 606 of the tax law is amended by adding a new subsection (s-1) to read as follows:

(S-1) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF A SECURITY SYSTEM. A TAXPAYER SHALL BE ALLOWED A CREDIT AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE AND INSTALLATION OF A SECURITY SYSTEM, AS SUCH TERM IS DEFINED IN SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OF THIS CHAPTER. THE AMOUNT OF CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER OF THE PURCHASE AND INSTALLATION OF THE SECURITY SYSTEM DURING THE TAXABLE YEAR, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH SYSTEM PURCHASED AND INSTALLED.

S 4. Section 1456 of the tax law is amended by adding a new subsection (j-1) to read as follows:

(J-1) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF A SECURITY SYSTEM. A TAXPAYER SHALL BE ALLOWED A CREDIT AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE AND INSTALLATION OF A SECURITY SYSTEM, AS SUCH TERM IS DEFINED IN SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OF THIS CHAPTER. THE AMOUNT OF THE CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER OF THE PURCHASE AND INSTALLATION OF SUCH SECURITY SYSTEM DURING THE TAXABLE YEAR, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH SYSTEM PURCHASED AND INSTALLED. THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED FIFTY-FIVE OF THIS ARTICLE.

S 5. Section 1511 of the tax law is amended by adding a new subdivision (l-1) to read as follows:

(L-1) CREDIT FOR SMALL BUSINESS PURCHASE AND INSTALLATION OF SECURITY SYSTEM. A TAXPAYER SHALL BE ALLOWED A CREDIT AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE AND INSTALLATION OF A SECURITY SYSTEM, AS SUCH TERM IS DEFINED IN SUBDIVISION TWENTY-FOUR-A OF SECTION TWO HUNDRED TEN OF THIS CHAPTER. THE AMOUNT OF THE CREDIT SHALL BE FIFTY PERCENT OF THE COST TO THE TAXPAYER OF THE PURCHASE AND INSTALLATION OF SUCH SYSTEM DURING THE TAXABLE YEAR, SUCH CREDIT NOT TO EXCEED SEVEN HUNDRED FIFTY DOLLARS WITH RESPECT TO EACH SYSTEM PURCHASED AND INSTALLED. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM FIXED BY PARAGRAPH FOUR OF SUBDIVISION (A) OF SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE.

S 6. This act shall take effect immediately and shall apply to taxable years commencing on or after January 1, 2015.