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

4564--A

2013-2014 Regular Sessions

I N A S S E M B L Y

February 6, 2013

Introduced by M. of A. KOLB, TEDISCO, OAKS, REILICH, CORWIN, MONTESANO, PALMESANO -- Multi-Sponsored by -- M. of A. BARCLAY, BUTLER, CROUCH, CURRAN, DUPREY, FINCH, GOODELL, HAWLEY, JORDAN, P. LOPEZ, RA, RAIA, SALADINO, TENNEY, WALTER -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to net income base

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

Section 1. The opening paragraph and subparagraphs (iv) and (vii) of paragraph (a) of subdivision 1 of section 210 of the tax law, the opening paragraph and subparagraph (iv) as amended by section 2 of part N of chapter 60 of the laws of 2007, subparagraph (vii) as added by section 1 of part Z of chapter 59 of the laws of 2013, are amended to read as follows:

Entire net income base. For taxable years beginning before July first, nineteen hundred ninety-nine, the amount prescribed by this paragraph shall be computed at the rate of nine percent of the taxpayer's entire net income base. For taxable years beginning after June thirtieth, nineteen hundred ninety-nine and before July first, two thousand, the amount prescribed by this paragraph shall be computed at the rate of eight and one-half percent of the taxpayer's entire net income base. For taxable years beginning after June thirtieth, two thousand and before July first, two thousand one, the amount prescribed by this paragraph shall be computed at the rate of eight percent of the taxpayer's entire net income base. For taxable years beginning after June thirtieth, two thousand one and before January first, two thousand seven, the amount prescribed by this paragraph shall be computed at the rate of seven and one-half percent of the taxpayer's entire net income base. For taxable years beginning [on or] after January first, two thousand seven AND BEFORE JANUARY FIRST, TWO THOUSAND FOURTEEN, the amount prescribed by

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

LBD05916-02-3

this paragraph shall be computed at the rate of seven and one-tenth percent of the taxpayer's entire net income base. FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN, THE AMOUNT PRESCRIBED BY THIS PARAGRAPH SHALL BE COMPUTED AT THE RATE OF SIX AND EIGHTY-FIVE ONE HUNDREDTH PERCENT OF THE TAXPAYER'S ENTIRE NET INCOME BASE. The taxpayer's entire net income base shall mean the portion of the taxpayer's entire net income allocated within the state as hereinafter provided, subject to any modification required by paragraphs (d) and (e) of subdivision three of this section. However, in the case of a small business taxpayer, as defined in paragraph (f) of this subdivision, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (iv) of this paragraph and in the case of a manufacturer, as defined in subparagraph (vi) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vi) of this paragraph.

(iv) for taxable years beginning [on or] after January first, two thousand seven AND BEFORE JANUARY FIRST, TWO THOUSAND FOURTEEN, if the entire net income base is not more than two hundred ninety thousand dollars the amount shall be six and one-half percent of the entire net income base; if the entire net income base is more than two hundred ninety thousand dollars but not over three hundred ninety thousand dollars the amount shall be the sum of (1) eighteen thousand eight hundred fifty dollars, (2) seven and one-tenth percent of the excess of the entire net income base over two hundred ninety thousand dollars but not over three hundred ninety thousand dollars and (3) four and thirty-five hundredths percent of the excess of the entire net income base over three hundred fifty thousand dollars but not over three hundred ninety thousand dollars. FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN, IF THE ENTIRE NET INCOME IS NOT OVER THREE HUNDRED NINETY THOUSAND DOLLARS THE AMOUNT SHALL BE SIX PERCENT OF THE ENTIRE NET INCOME BASE; PROVIDED THAT THE RATE AT WHICH THE TAX IS COMPUTED IN EFFECT FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND FOURTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND FIFTEEN, SHALL BE REDUCED BY NINE AND TWO-TENTHS PERCENT, FOR TAXABLE YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, TWELVE AND THREE-TENTHS PERCENT, FOR TAXABLE YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND SEVENTEEN, FIFTEEN AND FOUR-TENTHS PERCENT, FOR TAXABLE YEARS COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND EIGHTEEN, TWENTY-FIVE PERCENT, FOR TAXABLE YEARS BEGINNING OR OR AFTER JANUARY FIRST, TWO THOUSAND EIGHTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN, AND ONE HUNDRED PERCENT FOR TAXABLE YEARS BEGINNING ON AND AFTER JANUARY FIRST, TWO THOUSAND NINETEEN;

(vii) For a qualified New York manufacturer, as defined in subparagraph (vi) of this paragraph, the rate at which the tax is computed in effect for taxable years beginning on or after January first, two thousand thirteen and before January first, two thousand fourteen for qualified New York manufacturers shall be reduced by nine and two-tenths percent for taxable years commencing on or after January first, two thousand fourteen and before January first, two thousand fifteen, twelve and three-tenths percent for taxable years commencing on or after January first, two thousand fifteen and before January first, two thousand sixteen, fifteen and four-tenths percent for taxable years commencing on or after January first, two thousand sixteen and before January first, two thousand eighteen, [and] twenty-five percent for taxable years

beginning on or after January first, two thousand eighteen AND BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN, AND ONE HUNDRED PERCENT FOR TAXABLE YEARS BEGINNING ON AND AFTER JANUARY FIRST, TWO THOUSAND NINETEEN.

S 2. This act shall take effect immediately.