

1 pursuant to section one hundred sixty-seven of the internal revenue
2 code, have a useful life of four years or more, are acquired by purchase
3 as defined in section one hundred seventy-nine (d) of the internal
4 revenue code, have a situs in this state and are (A) principally used by
5 the taxpayer in the production of goods by manufacturing, processing,
6 assembling, refining, mining, extracting, farming, agriculture, horti-
7 culture, floriculture, viticulture or commercial fishing, (B) industrial
8 waste treatment facilities or air pollution control facilities, used in
9 the taxpayer's trade or business, (C) research and development property,
10 (D) principally used in the ordinary course of the taxpayer's trade or
11 business as a broker or dealer in connection with the purchase or sale
12 (which shall include but not be limited to the issuance, entering into,
13 assumption, offset, assignment, termination, or transfer) of stocks,
14 bonds or other securities as defined in section four hundred seventy-
15 five (c)(2) of the Internal Revenue Code, or of commodities as defined
16 in section four hundred seventy-five (e) of the Internal Revenue Code,
17 (E) principally used in the ordinary course of the taxpayer's trade or
18 business of providing investment advisory services for a regulated
19 investment company as defined in section eight hundred fifty-one of the
20 Internal Revenue Code, or lending, loan arrangement or loan origination
21 services to customers in connection with the purchase or sale (which
22 shall include but not be limited to the issuance, entering into, assump-
23 tion, offset, assignment, termination, or transfer) of securities as
24 defined in section four hundred seventy-five (c)(2) of the Internal
25 Revenue Code, (F) principally used in the ordinary course of the taxpay-
26 er's business as an exchange registered as a national securities
27 exchange within the meaning of sections 3(a)(1) and 6(a) of the Securi-
28 ties Exchange Act of 1934 or a board of trade as defined in [section
29 1410(a)(1) of the New York Not-for-Profit Corporation Law] SUBPARAGRAPH
30 ONE OF PARAGRAPH (A) OF SECTION FOURTEEN HUNDRED TEN OF THE NOT-FOR-PRO-
31 FIT CORPORATION LAW or as an entity that is wholly owned by one or more
32 such national securities exchanges or boards of trade and that provides
33 automation or technical services thereto, [or] (G) principally used as a
34 qualified film production facility including qualified film production
35 facilities having a situs in an empire zone designated as such pursuant
36 to article eighteen-B of the general municipal law, where the taxpayer
37 is providing three or more services to any qualified film production
38 company using the facility, including such services as a studio lighting
39 grid, lighting and grip equipment, multi-line phone service, broadband
40 information technology access, industrial scale electrical capacity,
41 food services, security services, and heating, ventilation and air
42 conditioning, OR (H) PRINCIPALLY USED IN THE ORDINARY COURSE OF ANY
43 TRADE OR BUSINESS OF THE TAXPAYER NOT OTHERWISE DESCRIBED IN CLAUSES (A)
44 THROUGH (G) OF THIS SUBPARAGRAPH. For purposes of clauses (D), (E) and
45 (F) of this subparagraph, property purchased by a taxpayer affiliated
46 with a regulated broker, dealer, registered investment adviser, national
47 securities exchange or board of trade, is allowed a credit under this
48 subdivision if the property is used by its affiliated regulated broker,
49 dealer, registered investment adviser, national securities exchange or
50 board of trade in accordance with this subdivision. For purposes of
51 determining if the property is principally used in qualifying uses, the
52 uses by the taxpayer described in clauses (D) and (E) of this subpara-
53 graph may be aggregated. In addition, the uses by the taxpayer, its
54 affiliated regulated broker, dealer, and registered investment adviser
55 under either or both of those clauses may be aggregated. Provided,
56 however, a taxpayer shall not be allowed the credit provided by clauses

(D), (E) and (F) of this subparagraph unless (I) eighty percent or more of the employees performing the administrative and support functions resulting from or related to the qualifying uses of such equipment are located in this state or (II) the average number of employees that perform the administrative and support functions resulting from or related to the qualifying uses of such equipment and are located in this state during the taxable year for which the credit is claimed is equal to or greater than ninety-five percent of the average number of employees that perform these functions and are located in this state during the thirty-six months immediately preceding the year for which the credit is claimed, or (III) the number of employees located in this state during the taxable year for which the credit is claimed is equal to or greater than ninety percent of the number of employees located in this state on December thirty-first, nineteen hundred ninety-eight or, if the taxpayer was not a calendar year taxpayer in nineteen hundred ninety-eight, the last day of its first taxable year ending after December thirty-first, nineteen hundred ninety-eight. If the taxpayer becomes subject to tax in this state after the taxable year beginning in nineteen hundred ninety-eight, then the taxpayer is not required to satisfy the employment test provided in the preceding sentence of this subparagraph for its first taxable year. For purposes of clause (III) of this subparagraph the employment test will be based on the number of employees located in this state on the last day of the first taxable year the taxpayer is subject to tax in this state. If the uses of the property must be aggregated to determine whether the property is principally used in qualifying uses, then either each affiliate using the property must satisfy this employment test or this employment test must be satisfied through the aggregation of the employees of the taxpayer, its affiliated regulated broker, dealer, and registered investment adviser using the property. For purposes of this subdivision, the term "goods" shall not include electricity.

S 2. Subparagraph (A) of paragraph 2 of subsection (a) of section 606 of the tax law, as amended by chapter 637 of the laws of 2008, is amended to read as follows:

(A) A credit shall be allowed under this subsection with respect to tangible personal property and other tangible property, including buildings and structural components of buildings, which are: depreciable pursuant to section one hundred sixty-seven of the internal revenue code, have a useful life of four years or more, are acquired by purchase as defined in section one hundred seventy-nine (d) of the internal revenue code, have a situs in this state and are (i) principally used by the taxpayer in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture or commercial fishing, (ii) industrial waste treatment facilities or air pollution control facilities, used in the taxpayer's trade or business, (iii) research and development property, (iv) principally used in the ordinary course of the taxpayer's trade or business as a broker or dealer in connection with the purchase or sale (which shall include but not be limited to the issuance, entering into, assumption, offset, assignment, termination, or transfer) of stocks, bonds or other securities as defined in section four hundred seventy-five (c)(2) of the Internal Revenue Code, or of commodities as defined in section 475(e) of the Internal Revenue Code, (v) principally used in the ordinary course of the taxpayer's trade or business of providing investment advisory services for a regulated investment company as defined in section eight hundred fifty-one of the Internal Revenue

1 Code, or lending, loan arrangement or loan origination services to
2 customers in connection with the purchase or sale (which shall include
3 but not be limited to the issuance, entering into, assumption, offset,
4 assignment, termination, or transfer) of securities as defined in
5 section four hundred seventy-five (c)(2) of the Internal Revenue Code,
6 [or] (vi) principally used as a qualified film production facility
7 including qualified film production facilities having a situs in an
8 empire zone designated as such pursuant to article eighteen-B of the
9 general municipal law, where the taxpayer is providing three or more
10 services to any qualified film production company using the facility,
11 including such services as a studio lighting grid, lighting and grip
12 equipment, multi-line phone service, broadband information technology
13 access, industrial scale electrical capacity, food services, security
14 services, and heating, ventilation and air conditioning, OR (VII) PRIN-
15 CIPALLY USED IN THE ORDINARY COURSE OF ANY TRADE OR BUSINESS OF THE
16 TAXPAYER NOT OTHERWISE DESCRIBED IN CLAUSES (I) THROUGH (VI) OF THIS
17 SUBPARAGRAPH. For purposes of clauses (iv) and (v) of this subpara-
18 graph, property purchased by a taxpayer affiliated with a regulated
19 broker, dealer, or registered investment adviser is allowed a credit
20 under this subsection if the property is used by its affiliated regu-
21 lated broker, dealer or registered investment adviser in accordance with
22 this subsection. For purposes of determining if the property is princi-
23 pally used in qualifying uses, the uses by the taxpayer described in
24 clauses (iv) and (v) of this subparagraph may be aggregated. In addi-
25 tion, the uses by the taxpayer, its affiliated regulated broker, dealer
26 and registered investment adviser under either or both of those clauses
27 may be aggregated. Provided, however, a taxpayer shall not be allowed
28 the credit provided by clauses (iv) and (v) of this subparagraph unless
29 (I) eighty percent or more of the employees performing the administra-
30 tive and support functions resulting from or related to the qualifying
31 uses of such equipment are located in this state, or (II) the average
32 number of employees that perform the administrative and support func-
33 tions resulting from or related to the qualifying uses of such equipment
34 and are located in this state during the taxable year for which the
35 credit is claimed is equal to or greater than ninety-five percent of the
36 average number of employees that perform these functions and are located
37 in this state during the thirty-six months immediately preceding the
38 year for which the credit is claimed, or (III) the number of employees
39 located in this state during the taxable year for which the credit is
40 claimed is equal to or greater than ninety percent of the number of
41 employees located in this state on December thirty-first, nineteen
42 hundred ninety-eight or, if the taxpayer was not a calendar year taxpay-
43 er in nineteen hundred ninety-eight, the last day of its first taxable
44 year ending after December thirty-first, nineteen hundred ninety-eight.
45 If the taxpayer becomes subject to tax in this state after the taxable
46 year beginning in nineteen hundred ninety-eight, then the taxpayer is
47 not required to satisfy the employment test provided in the preceding
48 sentence of this subparagraph for its first taxable year. For the
49 purposes of clause (III) of this subparagraph the employment test will
50 be based on the number of employees located in this state on the last
51 day of the first taxable year the taxpayer is subject to tax in this
52 state. If the uses of the property must be aggregated to determine
53 whether the property is principally used in qualifying uses, then either
54 each affiliate using the property must satisfy this employment test or
55 this employment test must be satisfied through the aggregation of the
56 employees of the taxpayer, its affiliated regulated broker, dealer, and

1 registered investment adviser using the property. For purposes of this
2 subsection, the term "goods" shall not include electricity.

3 S 3. This act shall take effect immediately and apply to taxable years
4 ending on or after January 1, 2013.

5 PART B

6 Section 1. Paragraph (a) of subdivision 12-G of section 210 of the tax
7 law, as amended by section 1-a of part A of chapter 63 of the laws of
8 2005, is amended to read as follows:

9 (a) A taxpayer that is a qualified emerging technology company pursu-
10 ant to the provisions of section thirty-one hundred two-e [(and specif-
11 ically for the activities referenced in paragraph (b) of subdivision one
12 of such section thirty-one hundred two-e)] of the public authorities
13 law, and that meets the eligibility requirements in paragraph (b) of
14 this subdivision, shall be allowed a credit against the tax imposed by
15 this article. The amount of credit shall be equal to the sum of the
16 amounts specified in paragraphs (c), (d), and (e) of this subdivision
17 subject to the limitations in paragraph (f) of this subdivision.

18 S 2. Paragraph (h) of subdivision 12-G of section 210 of the tax law,
19 as amended by section 1-a of part A of chapter 63 of the laws of 2005,
20 is amended to read as follows:

21 (h) The credit allowed under this subdivision shall not be applicable
22 for taxable years beginning on or after January first, two thousand
23 [twelve] FIFTEEN.

24 S 3. Paragraph 1 of subsection (nn) of section 606 of the tax law, as
25 amended by section 1-a of part A of chapter 63 of the laws of 2005, is
26 amended to read as follows:

27 (1) A taxpayer that is a qualified emerging technology company pursu-
28 ant to the provisions of section thirty-one hundred two-e [(and specif-
29 ically for the activities referenced in paragraph (b) of subdivision one
30 of such section thirty-one hundred two-e)] of the public authorities
31 law, and that meets the eligibility requirements in paragraph two of
32 this subsection, shall be allowed a credit against the tax imposed by
33 this article. The amount of credit shall be equal to the sum (or pro
34 rata share of the sum in the case of a partnership) of the amounts spec-
35 ified in paragraphs three, four, and five of this subsection, subject to
36 the limitations in paragraph six of this subsection.

37 S 4. Paragraph 8 of subsection (nn) of section 606 of the tax law, as
38 amended by section 1-a of part A of chapter 63 of the laws of 2005, is
39 amended to read as follows:

40 (8) The credit allowed under this subsection shall not be applicable
41 for taxable years beginning on or after January first, two thousand
42 [twelve] FIFTEEN.

43 S 5. This act shall take effect immediately, provided, however, that
44 sections one and three of this act shall apply to tax years beginning on
45 or after January 1, 2006.

46 PART C

47 Section 1. The general municipal law is amended by adding a new
48 section 959-c to read as follows:

49 S 959-C. CERTIFIED STARTUP BUSINESS ENTERPRISE. (A) CERTIFICATION. (I)
50 THE COMMISSIONER SHALL APPROVE APPLICATIONS FOR QUALIFICATION OF A BUSI-
51 NESS ENTERPRISE AS A CERTIFIED STARTUP BUSINESS ENTERPRISE. AS A CONDI-
52 TION FOR APPROVAL OF SUCH APPLICATION, THE COMMISSIONER IS AUTHORIZED TO

SPECIFY CERTAIN REQUIREMENTS TO BE SATISFIED AS A CONDITION FOR APPROVAL OF A BUSINESS ENTERPRISE AS A CERTIFIED STARTUP BUSINESS ENTERPRISE AS THE COMMISSIONER DEEMS NECESSARY TO ENSURE THE QUALIFYING ANGEL INVESTMENT WILL MAKE A SUBSTANTIAL CONTRIBUTION TO THE ECONOMIC DEVELOPMENT OF THIS STATE, INCLUDING THE USE OF A SYSTEM OF EVALUATION OF VARIOUS APPLICANT BUSINESS ENTERPRISES IN A COMPETITIVE FASHION.

(II) WITH RESPECT TO AN APPROVED APPLICATION FOR QUALIFICATION OF A BUSINESS ENTERPRISE AS A CERTIFIED STARTUP BUSINESS ENTERPRISE, THE COMMISSIONER SHALL ISSUE TO SUCH BUSINESS ENTERPRISE A CERTIFICATE OF QUALIFICATION AS A CERTIFIED STARTUP BUSINESS ENTERPRISE SETTING FORTH THE EFFECTIVE DATE OF THE CERTIFICATION AND THE AMOUNT OF QUALIFYING ANGEL INVESTMENT AWARDED TO SUCH BUSINESS ENTERPRISE, WHICH AMOUNT SHALL BE NO LESS THAN ONE HUNDRED THOUSAND DOLLARS AND NO MORE THAN TWO MILLION DOLLARS.

(III) FOR THE PERIOD JULY FIRST, TWO THOUSAND THIRTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FOURTEEN, THE COMMISSIONER MAY CERTIFY UP TO TWENTY MILLION DOLLARS IN QUALIFYING ANGEL INVESTMENT. FOR THE PERIOD JULY FIRST, TWO THOUSAND FOURTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FIFTEEN, THE COMMISSIONER MAY CERTIFY UP TO TWENTY MILLION DOLLARS IN QUALIFYING ANGEL INVESTMENT. FOR THE PERIOD JULY FIRST, TWO THOUSAND FIFTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND SIXTEEN, THE COMMISSIONER MAY CERTIFY UP TO TWENTY MILLION DOLLARS IN QUALIFYING ANGEL INVESTMENT.

(B) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(I) "CERTIFIED STARTUP BUSINESS ENTERPRISE" SHALL MEAN A BUSINESS ENTERPRISE LOCATED IN NEW YORK STATE:

(1) WITH LESS THAN FIVE MILLION DOLLARS IN ANNUAL REVENUES;

(2) WHOSE PRIMARY ACTIVITY CONSISTS OF A QUALIFYING TECHNOLOGY OR INNOVATION ACTIVITY; AND

(3) THAT HAS BEEN CERTIFIED AS A CERTIFIED STARTUP BUSINESS ENTERPRISE BY THE COMMISSIONER.

(II) "QUALIFYING TECHNOLOGY OR INNOVATION ACTIVITY" SHALL MEAN:

(1) BIOTECHNOLOGIES, WHICH SHALL BE DEFINED AS TECHNOLOGIES INVOLVING THE SCIENTIFIC MANIPULATION OF LIVING ORGANISMS, ESPECIALLY AT THE MOLECULAR AND/OR THE SUB-MOLECULAR GENETIC LEVEL, TO PRODUCE PRODUCTS CONDUCIVE TO IMPROVING THE LIVES AND HEALTH OF PLANTS, ANIMALS, AND HUMANS; AND THE ASSOCIATED SCIENTIFIC RESEARCH, PHARMACOLOGICAL, MECHANICAL, AND COMPUTATIONAL APPLICATIONS AND SERVICES CONNECTED WITH THESE IMPROVEMENTS;

(2) INFORMATION AND COMMUNICATION TECHNOLOGIES, EQUIPMENT AND SYSTEMS THAT INVOLVE ADVANCED COMPUTER SOFTWARE AND HARDWARE, VISUALIZATION TECHNOLOGIES, AND HUMAN INTERFACE TECHNOLOGIES;

(3) ADVANCED MATERIALS AND PROCESSING TECHNOLOGIES THAT INVOLVE THE DEVELOPMENT, MODIFICATION, OR IMPROVEMENT OF ONE OR MORE MATERIALS OR METHODS TO PRODUCE DEVICES AND STRUCTURES WITH IMPROVED PERFORMANCE CHARACTERISTICS OR SPECIAL FUNCTIONAL ATTRIBUTES, OR TO ACTIVATE, SPEED UP, OR OTHERWISE ALTER CHEMICAL, BIOCHEMICAL, OR MEDICAL PROCESSES;

(4) ELECTRONIC AND PHOTONIC DEVICES AND COMPONENTS FOR USE IN PRODUCING ELECTRONIC, OPTOELECTRONIC, MECHANICAL EQUIPMENT AND PRODUCTS OF ELECTRONIC DISTRIBUTION WITH INTERACTIVE MEDIA CONTENT;

(5) ENERGY EFFICIENCY, RENEWABLE ENERGY AND ENVIRONMENTAL TECHNOLOGIES, PRODUCTS, DEVICES AND SERVICES;

(6) SMALL SCALE SYSTEMS INTEGRATION AND PACKAGING; OR

(7) MANUFACTURING;

(III) "QUALIFYING ANGEL INVESTMENT" SHALL MEAN A CONTRIBUTION TO THE CAPITAL OF A CERTIFIED STARTUP BUSINESS ENTERPRISE, PROVIDED THAT SUCH

1 CONTRIBUTION TO CAPITAL IS MADE WITHIN TWELVE MONTHS AFTER THE EFFECTIVE
2 DATE OF THE CERTIFIED TECHNOLOGY VENTURE'S CERTIFICATE OF QUALIFICATION
3 AS A CERTIFIED TECHNOLOGY VENTURE AND SUCH CONTRIBUTION IS APPLIED BY
4 THE CERTIFIED STARTUP BUSINESS ENTERPRISE AGAINST ITS ALLOCATION OF
5 QUALIFYING ANGEL INVESTMENT. TOGETHER WITH ALL OTHER QUALIFYING ANGEL
6 INVESTMENTS MADE TO A SINGLE CERTIFIED STARTUP BUSINESS ENTERPRISE, THE
7 TOTAL QUALIFYING ANGEL INVESTMENT MAY NOT EXCEED TWO MILLION DOLLARS.
8 NOTHING HEREIN SHALL PROHIBIT A PERSON MAKING A QUALIFYING ANGEL INVEST-
9 MENT FROM MAKING ADDITIONAL CONTRIBUTIONS TO THE CAPITAL OF THE CERTI-
10 FIED STARTUP BUSINESS ENTERPRISE OR MAKING LOANS TO OR OTHER INVESTMENTS
11 IN THE CERTIFIED STARTUP BUSINESS ENTERPRISE, PROVIDED, HOWEVER, THAT
12 SUCH OTHER CONTRIBUTIONS, LOANS AND INVESTMENTS SHALL NOT BE TREATED AS
13 QUALIFYING ANGEL INVESTMENTS.

14 S 2. Section 210 of the tax law is amended by adding a new subdivision
15 12-H to read as follows:

16 12-H. ANGEL TAX CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
17 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
18 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
19 GENERAL MUNICIPAL LAW, SHALL BE ALLOWED A CREDIT EQUAL TO FIFTY PERCENT
20 OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT.

21 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION
22 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS
23 THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF
24 SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT
25 ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO
26 SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE
27 YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR
28 REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND
29 EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF
30 SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER
31 NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

32 S 3. Section 606 of the tax law is amended by adding a new subsection
33 (vv) to read as follows:

34 (VV) ANGEL TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
35 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
36 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
37 GENERAL MUNICIPAL LAW, OR THAT IS A MEMBER OF A PARTNERSHIP THAT HAS
38 MADE A QUALIFYING ANGEL INVESTMENT, SHALL BE ALLOWED A CREDIT EQUAL TO
39 FIFTY PERCENT OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT OR, IN
40 THE CASE OF A TAXPAYER WHO IS A MEMBER OF A PARTNERSHIP THAT HAS MADE A
41 QUALIFYING ANGEL INVESTMENT, A PORTION OF SUCH QUALIFYING ANGEL INVEST-
42 MENT EQUAL TO THE PORTION OF ITEMS OF INCOME, GAIN, LOSS AND DEDUCTION
43 ASSOCIATED WITH THE QUALIFYING ANGEL INVESTMENT PROPERLY ALLOCABLE TO
44 SUCH TAXPAYER UNDER SECTION 704 OF THE INTERNAL REVENUE CODE FOR THE
45 TAXABLE YEAR.

46 (2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER
47 THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR
48 SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE
49 CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX
50 HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST
51 SHALL BE PAID THEREON.

52 S 4. Section 1456 of the tax law is amended by adding a new subsection
53 (z) to read as follows:

54 (Z) ANGEL TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
55 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
56 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE

1 GENERAL MUNICIPAL LAW, SHALL BE ALLOWED A CREDIT EQUAL TO FIFTY PERCENT
2 OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT.

3 (2) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBSECTION
4 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS
5 THAN THE MINIMUM TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED
6 FIFTY-FIVE OF THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED
7 UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH
8 AMOUNT, THEN ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE
9 YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR
10 REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND
11 EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF
12 SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER
13 NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

14 S 5. Section 1511 of the tax law is amended by adding a new subdivi-
15 sion (cc) to read as follows:

16 (CC) ANGEL TAX CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER THAT HAS
17 MADE A QUALIFYING ANGEL INVESTMENT, AS SUCH TERM IS DEFINED IN PARAGRAPH
18 (III) OF SUBDIVISION (B) OF SECTION NINE HUNDRED FIFTY-NINE-C OF THE
19 GENERAL MUNICIPAL LAW, SHALL BE ALLOWED A CREDIT EQUAL TO FIFTY PERCENT
20 OF THE AMOUNT OF SUCH QUALIFYING ANGEL INVESTMENT.

21 (2) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION
22 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS
23 THAN THE MINIMUM TAX FIXED BY PARAGRAPH FOUR OF SUBDIVISION (A) OF
24 SECTION FIFTEEN HUNDRED TWO OF THIS ARTICLE OR BY SECTION FIFTEEN
25 HUNDRED TWO-A OF THIS ARTICLE, WHICHEVER IS APPLICABLE. HOWEVER, IF THE
26 AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR
27 REDUCES THE TAX TO SUCH AMOUNT, THEN ANY AMOUNT OF CREDIT THUS NOT
28 DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE TREATED AS AN OVERPAYMENT OF
29 TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF
30 SECTION ONE THOUSAND EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE
31 PROVISIONS OF SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF
32 THIS CHAPTER NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

33 S 6. This act shall take effect immediately.

34 S 2. Severability. If any clause, sentence, paragraph, section or part
35 of this act shall be adjudged by any court of competent jurisdiction to
36 be invalid and after exhaustion of all further judicial review, the
37 judgment shall not affect, impair, or invalidate the remainder thereof,
38 but shall be confined in its operation to the clause, sentence, para-
39 graph, section or part of this act directly involved in the controversy
40 in which the judgment shall have been rendered.

41 S 3. This act shall take effect immediately provided, however, that
42 the applicable effective date of Parts A through C of this act shall be
43 as specifically set forth in the last section of such Parts.