

6024--A

2013-2014 Regular Sessions

I N A S S E M B L Y

March 13, 2013

Introduced by M. of A. MAGEE, BENEDETTO, GUNTHER, TITONE, CAHILL, BRINDISI, MAGNARELLI, BARRETT, SANTABARBARA, SEPULVEDA, OTIS, P. LOPEZ -- Multi-Sponsored by -- M. of A. BARCLAY, BLANKENBUSH, BOYLAND, BUTLER, COOK, CORWIN, CROUCH, DUPREY, FINCH, GIGLIO, GLICK, GOODELL, HAWLEY, KOLB, LIFTON, MARKEY, McDONOUGH, McLAUGHLIN, OAKS, PALMESANO, SALADINO, STIRPE, TEDISCO, TENNEY, THIELE -- read once and referred to the Committee on Agriculture -- recommitted to the Committee on Agriculture in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the agriculture and markets law, the tax law, the vehicle and traffic law and the environmental conservation law, in relation to reducing farm-based taxes, fees and regulatory burdens to help grow the agricultural economy and benefit family farms

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

1 Section 1. This act shall be known and may be cited as the "let New
2 York farm act."
3 S 2. Legislative intent. The legislature finds that viable farms and
4 the protection of working farmland are of paramount importance to the
5 economic and environmental wellbeing of New York state. The locally-focused,
6 diverse food supply New York farms provide is of critical importance
7 to the health and welfare of all New York citizens. With agriculture
8 facing ever increasing global competition, New York state is
9 committed to helping grow and expand our farms. In aid of this goal,
10 reducing farm-based taxes, fees and regulatory burdens that do not
11 recognize the unique nature and benefits of agriculture is an important
12 step in achieving successful, sustainable family farms.
13 S 3. Subdivision 3 of section 303-b of the agriculture and markets law
14 is amended by adding a new paragraph c to read as follows:

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

LBD04918-03-4

1 C. THE NOTICE SHALL ALSO BE PROVIDED TO ALL LANDOWNERS WITH LAND BEING
2 PROPOSED FOR INCLUSION IN AN AGRICULTURAL DISTRICT. LANDOWNERS SHALL
3 HAVE THE OPTION TO RECEIVE THIS NOTICE EITHER THROUGH WRITTEN COMMUNI-
4 CATION OR THROUGH ELECTRONIC COMMUNICATION.

5 S 4. Subdivision 12 of section 210 of the tax law is amended by adding
6 a new paragraph (e-1) to read as follows:

7 (E-1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBDIVISION, FOR
8 TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN,
9 IF THE CREDIT ALLOWED UNDER THIS SUBDIVISION IS GREATER THAN THE TAX DUE
10 IN ANY TAXABLE YEAR FOR A TAXPAYER WHOSE PRIMARY SOURCE OF INCOME IS
11 DERIVED FROM OPERATING A FARM OPERATION OR COMMERCIAL HORSE BOARDING
12 OPERATION, SUCH TAXPAYER MAY ELECT TO TREAT THE AMOUNT BY WHICH SUCH
13 CREDIT EXCEEDS SUCH TAX DUE AS AN OVER-PAYMENT OF TAX TO BE REFUNDED IN
14 ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND EIGHTY-SIX OF
15 THIS CHAPTER. FOR PURPOSES OF THIS PARAGRAPH, THE TERMS "FARM OPERATION"
16 AND "COMMERCIAL HORSE BOARDING OPERATION" SHALL HAVE THE SAME MEANINGS
17 AS SUCH TERMS ARE DEFINED IN SECTION THREE HUNDRED ONE OF THE AGRICUL-
18 TURE AND MARKETS LAW.

19 S 5. Subsection (a) of section 606 of the tax law is amended by adding
20 a new paragraph 5-a to read as follows:

21 (5-A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION, FOR
22 TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN,
23 IF THE CREDIT ALLOWED UNDER THIS SUBSECTION IS GREATER THAN THE TAX DUE
24 IN ANY TAXABLE YEAR FOR A TAXPAYER WHOSE PRIMARY SOURCE OF INCOME IS
25 DERIVED FROM OPERATING A FARM OPERATION OR COMMERCIAL HORSE BOARDING
26 OPERATION, SUCH TAXPAYER MAY ELECT TO TREAT THE AMOUNT BY WHICH SUCH
27 CREDIT EXCEEDS SUCH TAX DUE AS AN OVER-PAYMENT OF TAX TO BE REFUNDED IN
28 ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS
29 ARTICLE. FOR PURPOSES OF THIS PARAGRAPH, THE TERMS "FARM OPERATION" AND
30 "COMMERCIAL HORSE BOARDING OPERATION" SHALL HAVE THE SAME MEANINGS AS
31 SUCH TERMS ARE DEFINED IN SECTION THREE HUNDRED ONE OF THE AGRICULTURE
32 AND MARKETS LAW.

33 S 6. Subparagraph (C) of paragraph 1 of subdivision (i) of section
34 1136 of the tax law, as amended by chapter 384 of the laws of 2013, is
35 amended to read as follows:

36 (C) Every wholesaler, as defined by section three of the alcoholic
37 beverage control law, if it has made a sale of an alcoholic beverage, as
38 defined by section four hundred twenty of this chapter, without collect-
39 ing sales or use tax during the period covered by the return, except (i)
40 a sale to a person that has furnished an exempt organization certificate
41 to the wholesaler for that sale; or (ii) a sale to another wholesaler
42 whose license under the alcoholic beverage control law does not allow it
43 to make retail sales of the alcoholic beverage. For each vendor, opera-
44 tor, or recipient to whom the wholesaler has made a sale without
45 collecting sales or compensating use tax, the return must include the
46 total value of those sales made during the period covered by the return
47 (excepting the sales described in clauses (i) and (ii) of this subpara-
48 graph) and the vendor's, operator's or recipient's state liquor authori-
49 ty license number, along with the information required by paragraph two
50 of this subdivision. A person operating pursuant to a farm winery
51 license as provided in section seventy-six-a of the alcoholic beverage
52 control law, or a person operating pursuant to a farm distillery license
53 as provided in subdivision two-c of section sixty-one of such law, or a
54 person operating pursuant to a farm cidery license as provided in
55 section fifty-eight-c of the alcoholic beverage control law, or a person
56 operating pursuant to a farm brewery license as provided in section

fifty-one-a of the alcoholic beverage control law, or a person operating pursuant to any combination of such licenses, shall not be subject to any of the requirements of this subdivision. THE PROVISIONS OF THIS SUBPARAGRAPH SHALL NOT APPLY TO A WINERY AS DEFINED IN SECTION THREE OF THE ALCOHOLIC BEVERAGE CONTROL LAW.

S 7. Subparagraphs (A) and (B) of paragraph 3 of subsection (c) of section 658 of the tax law, subparagraph (A) as amended by section 18 of part U of chapter 61 of the laws of 2011 and subparagraph (B) as amended by section 1 of part H-1 of chapter 57 of the laws of 2009, are amended to read as follows:

(A) Every subchapter K limited liability company, every limited liability company that is a disregarded entity for federal income tax purposes, and every partnership which has any income derived from New York sources, determined in accordance with the applicable rules of section six hundred thirty-one of this article as in the case of a nonresident individual, shall, within sixty days after the last day of the taxable year, make a payment of a filing fee. SUCH DEADLINE SHALL NOT APPLY TO FARMS, COMMERCIAL HORSE BOARDING OPERATIONS OR AGRICULTURAL SERVICE PROVIDERS SUBJECT TO THE FEE, WHICH SHALL, WITHIN ONE HUNDRED TWENTY DAYS AFTER THE LAST DAY OF THE TAXABLE YEAR, MAKE PAYMENT OF ANY REQUIRED FILING FEE. The amount of the filing fee is the amount set forth in subparagraph (B) of this paragraph. The minimum filing fee is twenty-five dollars for taxable years beginning in two thousand eight and thereafter. Limited liability companies that are disregarded entities for federal income tax purposes must pay a filing fee of twenty-five dollars for taxable years beginning on or after January first, two thousand eight.

(B) The filing fee will be based on the New York source gross income of the limited liability company or partnership for the taxable year immediately preceding the taxable year for which the fee is due. If the limited liability company or partnership does not have any New York source gross income for the taxable year immediately preceding the taxable year for which the fee is due, the limited liability company or partnership shall pay the minimum filing fee. Partnerships, other than limited liability partnerships under article eight-B of the partnership law and foreign limited liability partnerships, with less than one million dollars in New York source gross income are exempt from the filing fee. New York source gross income is the sum of the partners' or members' shares of federal gross income from the partnership or limited liability company derived from or connected with New York sources, determined in accordance with the provisions of section six hundred thirty-one of this article as if those provisions and any related provisions expressly referred to a computation of federal gross income from New York sources. For this purpose, federal gross income is computed without any allowance or deduction for cost of goods sold, EXCEPT THAT FOR COMPANIES ENGAGED PRIMARILY IN FARMING, COMMERCIAL HORSE BOARDING OR AGRICULTURAL SERVICE PROVIDERS, THE TERM FEDERAL GROSS INCOME SHALL MEAN NET INCOME AS REPORTED FOR FEDERAL TAX PURPOSES.

The amount of the filing fee for taxable years beginning on or after January first, two thousand eight will be determined in accordance with the following table:

| If the New York source gross income is: | The fee is: |
|--|-------------|
| not more than \$100,000 | \$25 |
| more than \$100,000 but not over \$250,000 | \$50 |
| more than \$250,000 but not over \$500,000 | \$175 |

| | | |
|---|---|---------|
| 1 | more than \$500,000 but not over \$1,000,000 | \$500 |
| 2 | more than \$1,000,000 but not over \$5,000,000 | \$1,500 |
| 3 | more than \$5,000,000 but not over \$25,000,000 | \$3,000 |
| 4 | Over \$25,000,000 | \$4,500 |

5 S 8. Subparagraph 4 of paragraph (d) of subdivision 1 of section 210
6 of the tax law, as added by section 2 of part AA-1 of chapter 57 of the
7 laws of 2008, is amended to read as follows:

8 (4) Notwithstanding subparagraphs one and two of this paragraph, for
9 taxable years beginning on or after January first, two thousand eight,
10 the amount prescribed by this paragraph for New York S corporations will
11 be determined in accordance with the following table:

| | | |
|----|---|----------------------------------|
| 12 | If New York receipts are: | The fixed dollar minimum tax is: |
| 13 | not more than \$100,000 | \$ 25 |
| 14 | more than \$100,000 but not over \$250,000 | \$ 50 |
| 15 | more than \$250,000 but not over \$500,000 | \$ 175 |
| 16 | more than \$500,000 but not over \$1,000,000 | \$ 300 |
| 17 | more than \$1,000,000 but not over \$5,000,000 | \$1,000 |
| 18 | more than \$5,000,000 but not over \$25,000,000 | \$3,000 |
| 19 | Over \$25,000,000 | \$4,500 |

20 Otherwise the amount prescribed by this paragraph will be determined in
21 accordance with the following table:

| | | |
|----|---|----------------------------------|
| 22 | If New York receipts are: | The fixed dollar minimum tax is: |
| 23 | not more than \$100,000 | \$ 25 |
| 24 | more than \$100,000 but not over \$250,000 | \$ 75 |
| 25 | more than \$250,000 but not over \$500,000 | \$ 175 |
| 26 | more than \$500,000 but not over \$1,000,000 | \$ 500 |
| 27 | more than \$1,000,000 but not over \$5,000,000 | \$1,500 |
| 28 | more than \$5,000,000 but not over \$25,000,000 | \$3,500 |
| 29 | Over \$25,000,000 | \$5,000 |

30 For purposes of this paragraph, New York receipts are the receipts
31 computed in accordance with subparagraph two of paragraph (a) of subdi-
32 vision three of this section for the taxable year, EXCEPT THAT FOR
33 CORPORATIONS ENGAGED PRIMARILY IN FARMING, COMMERCIAL HORSE BOARDING OR
34 PROVIDING AGRICULTURAL SERVICES, THE TERM NEW YORK RECEIPTS SHALL REFER
35 TO NET FARM INCOME AS REPORTED FOR FEDERAL TAX PURPOSES.

36 S 9. Section 499-b of the vehicle and traffic law, as added by section
37 1 of part B of chapter 25 of the laws of 2009, is amended to read as
38 follows:

39 S 499-b. Collection of supplemental fee. All registrants of motor
40 vehicles who reside in the metropolitan commuter transportation district
41 shall pay to the commissioner or his or her agent the supplemental
42 registration fee provided for in this article upon registration or
43 renewal of motor vehicles subject to registration fees pursuant to the
44 following sections of this chapter: paragraph a of subdivision six of
45 section four hundred one; schedules A, B, C, [E,] F (EXCEPT AGRICULTURAL
46 SPRAYERS), G, I and K of subdivision seven of section four hundred one;
47 paragraph a of subdivision eight of section four hundred one, EXCEPT
48 LIVESTOCK TRAILERS; paragraph a of subdivision five of section four
49 hundred ten; and section four hundred eleven-b.

1 S 10. Paragraph 1 of schedule E of subdivision 7 of section 401 of the
2 vehicle and traffic law, as amended by section 9 of part G of chapter 59
3 of the laws of 2009, is amended to read as follows:

4 1. For each agricultural truck, the annual fee of two dollars and
5 [fifty-one cents] ONE CENT for each five hundred pounds maximum gross
6 weight, or fraction thereof.

7 S 11. Section 72-0602 of the environmental conservation law is amended
8 by adding a new subdivision q-1 to read as follows:

9 Q-1. \$25.00 PER ACRE DISTURBED PLUS \$25.00 PER FUTURE IMPERVIOUS ACRE
10 FOR ANY FACILITY THAT IS PART OF A FARM OPERATION AS DEFINED IN SECTION
11 THREE HUNDRED ONE OF THE AGRICULTURE AND MARKETS LAW, DISCHARGING OR
12 AUTHORIZED TO DISCHARGE PURSUANT TO A SPDES PERMIT FOR STORMWATER
13 DISCHARGES FROM CONSTRUCTION ACTIVITY. FOR THE PURPOSES OF THIS SUBDIVI-
14 SION, ACRES DISTURBED ARE ACRES SUBJECT TO CLEARING, GRADING, OR EXCA-
15 VATING IN THE CONSTRUCTION AREA SUBJECT TO SPDES PERMITTING AND FUTURE
16 IMPERVIOUS ACRES ARE ACRES THAT WILL BE NEWLY PAVED WITH AN IMPERVIOUS
17 SUBSTANCE OR ROOFED DURING CONSTRUCTION;

18 S 12. Subdivision t of section 72-0602 of the environmental conserva-
19 tion law, as amended by section 1 of part JJ of chapter 59 of the laws
20 of 2009, is relettered subdivision u and amended and a new subdivision t
21 is added to read as follows:

22 T. \$50.00 FOR A WINERY OR DISTILLERY DISCHARGING OR AUTHORIZED TO
23 DISCHARGE PURSUANT TO A GENERAL PERMIT;

24 u. \$100.00 for any facility, other than a municipal separate storm
25 sewer as defined by 40 CFR S122.26 (b) (8), discharging or authorized to
26 discharge pursuant to a general permit unless a specific fee is imposed
27 pursuant to subdivisions a through [s] T of this section for such
28 discharge or authorization to discharge.

29 S 13. This act shall take effect immediately, provided however, that
30 section three of this act shall take effect on the ninetieth day after
31 it shall have become a law, provided further that sections four and five
32 of this act shall apply to any tax year commencing on or after January
33 1, 2015.