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

1198

2013-2014 Regular Sessions

I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sen. CARLUCCI -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to creating a local produce tax credit

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 46 to read as follows:

46. LOCAL PRODUCE TAX CREDIT. (A) RESTAURANTS, TAVERNS, CAFETERIAS OR OTHER BUSINESSES ENGAGED IN THE SALE OF FOODS PREPARED AND READY TO BE EATEN MAY CLAIM THE LOCAL PRODUCE TAX CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE AT THE CLOSE OF THE TAX YEAR PROVIDED, HOWEVER, THAT THE UNUSED PORTION OF ANY TAX CREDIT CLAIMED SHALL NOT BE CARRIED FORWARD AND APPLIED IN ANOTHER TAX YEAR.

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

(1) "LOCAL PRODUCE" IS PRODUCE GROWN BY A PRODUCER WITH THE PRIDE OF NEW YORK SYMBOL OF THE BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT WITHIN THE STATE OF NEW YORK, FROM SEED OR CONCEPTION THROUGH FINAL PRODUCT.

(2) "PRODUCER" IS AN INDIVIDUAL (WHETHER ACTING INDIVIDUALLY OR THROUGH A COOPERATIVE, CORPORATION, PARTNERSHIP, BUSINESS ASSOCIATION, OR EDUCATIONAL INSTITUTION) WHO IS A FARMER, STUDENT FARMER OR MANUFACTURER OF FOODS OR GOODS IN NEW YORK STATE. IT SHALL NOT, HOWEVER, INCLUDE A WHOLESALER OR DISTRIBUTOR.

(C) THE AMOUNT OF THE CREDIT SHALL BE ONE HUNDRED DOLLARS FOR EVERY PURCHASE BY A BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT OF LOCAL PRODUCE FOR SALE AT THE BUSINESS IN THE AGGREGATE AMOUNT OF ONE THOUSAND DOLLARS OR MORE.

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

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(D) BUSINESSES CLAIMING THE LOCAL PRODUCE TAX CREDIT SHALL SUBMIT A COMPUTER-GENERATED REPORT WITH TAX RETURNS THAT CLAIM A TAX CREDIT. SUCH REPORT SHALL INCLUDE THE NATURE OF THE BUSINESS, THE NAME OF THE PRODUCER AND THE PHYSICAL PLACE OF THE BUSINESS WHERE THE PRODUCTS ARE PRODUCED AND THE AMOUNT PAID BY THE BUSINESS TO THE PRODUCER AND THE AMOUNT OF UNITS PURCHASED.

S 2. Section 606 of the tax law is amended by adding a new subsection (vv) to read as follows:

(VV) LOCAL PRODUCE TAX CREDIT. (1) RESTAURANTS, TAVERNS, CAFETERIAS OR OTHER BUSINESSES ENGAGED IN THE SALE OF FOODS PREPARED AND READY TO BE EATEN MAY CLAIM THE LOCAL PRODUCE TAX CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE AT THE CLOSE OF THE TAX YEAR PROVIDED, HOWEVER, THAT THE UNUSED PORTION OF ANY TAX CREDIT CLAIMED SHALL NOT BE CARRIED FORWARD AND APPLIED IN ANOTHER TAX YEAR.

(2) FOR THE PURPOSES OF THIS SECTION THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

(A) "LOCAL PRODUCE" IS PRODUCE GROWN BY A PRODUCER WITH THE PRIDE OF NEW YORK SYMBOL OF THE BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT WITHIN THE STATE OF NEW YORK, FROM SEED OR CONCEPTION THROUGH FINAL PRODUCT.

(B) "PRODUCER" IS AN INDIVIDUAL (WHETHER ACTING INDIVIDUALLY OR THROUGH A COOPERATIVE, CORPORATION, PARTNERSHIP, BUSINESS ASSOCIATION, OR EDUCATIONAL INSTITUTION) WHO IS A FARMER, STUDENT FARMER OR MANUFACTURER OF FOODS OR GOODS IN NEW YORK STATE. IT SHALL NOT, HOWEVER, INCLUDE A WHOLESALER OR DISTRIBUTOR.

(3) THE AMOUNT OF THE CREDIT SHALL BE ONE HUNDRED DOLLARS FOR EVERY PURCHASE BY A BUSINESS CLAIMING THE LOCAL PRODUCE TAX CREDIT OF LOCAL PRODUCE FOR SALE AT THE BUSINESS IN THE AGGREGATE AMOUNT OF ONE THOUSAND DOLLARS OR MORE.

(4) BUSINESSES CLAIMING THE LOCAL PRODUCE TAX CREDIT SHALL SUBMIT A COMPUTER-GENERATED REPORT WITH TAX RETURNS THAT CLAIM A TAX CREDIT. SUCH REPORT SHALL INCLUDE THE NATURE OF THE BUSINESS, THE NAME OF THE PROCEDURE AND THE PHYSICAL PLACE OF THE BUSINESS WHERE THE PRODUCTS ARE PRODUCED AND THE AMOUNT PAID BY THE BUSINESS TO THE PRODUCER AND THE AMOUNT OF UNITS PURCHASED.

S 3. 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:

(XXXV) LOCAL PRODUCE TAX CREDIT UNDER SUBSECTION (VV)	AMOUNT OF CREDIT UNDER SUBDIVISION FORTY-SIX OF SECTION TWO HUNDRED TEN

S 4. This act shall take effect immediately.