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

5457

2013-2014 Regular Sessions

I N S E N A T E

May 16, 2013

Introduced by Sen. FARLEY -- 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 the computation of entire net income of thrift institutions

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

Section 1. The opening paragraph and subparagraph (A) of paragraph 1 of subsection (h) of section 1453 of the tax law, as amended by chapter 411 of the laws of 1996, is amended to read as follows:

For purposes of this subsection, a "thrift institution" is a banking corporation which satisfies the requirements of [subparagraphs] CLAUSE (I) OF SUBPARAGRAPH (A) and SUBPARAGRAPH (B) of this paragraph, AND A "QUALIFIED COMMUNITY BANK" IS A BANKING CORPORATION WHICH SATISFIES THE REQUIREMENTS OF CLAUSES (II) AND (III) OF SUBPARAGRAPH (A) AND SUBPARAGRAPH (B) OF THIS PARAGRAPH.

(A) (I) Such banking corporation must be [(i)] (I) a banking corporation as defined in paragraph one of subsection (a) of section fourteen hundred fifty-two of this article created or authorized to do business under article six or ten of the banking law, [(ii)] (II) a banking corporation as defined in paragraph two or seven of subsection (a) of section fourteen hundred fifty-two of this article which is doing a business substantially similar to the business which a corporation or association may be created to do under article six or ten of the banking law or any business which a corporation or association is authorized by such article to do, or [(iii)] (III) a banking corporation as defined in paragraph four or five of subsection (a) of section fourteen hundred fifty-two of this article.

(II) TO BE A QUALIFIED COMMUNITY BANK, A TAXPAYER MUST BE (I) A BANK OR TRUST COMPANY ORGANIZED UNDER OR SUBJECT TO THE PROVISIONS OF ARTICLE

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

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THREE OF THE BANKING LAW OR A COMPARABLE PROVISION OF THE LAWS OF ANOTHER STATE OR (II) A NATIONAL BANKING ASSOCIATION.

(III) THE AVERAGE VALUE DURING THE TAXABLE YEAR OF THE ASSETS OF THE TAXPAYER OR THE ASSETS OF THE AFFILIATED GROUP OF THE TAXPAYER MUST NOT EXCEED EIGHT BILLION DOLLARS. FOR PURPOSES OF THIS CLAUSE, THE AFFILIATED GROUP OF THE TAXPAYER INCLUDES ANY CORPORATION THAT MEETS THE OWNERSHIP REQUIREMENTS TO BE INCLUDED IN A COMBINED REPORT UNDER ARTICLE THIRTY-TWO OF THIS CHAPTER.

S 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.