

10049

I N   A S S E M B L Y

June 10, 2014

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Introduced by COMMITTEE ON RULES -- (at request of M. of A. Santabarbara) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a musical and theatrical production business franchise credit; to amend chapter 59 of the laws of 2014, amending the tax law relating to a musical and theatrical production credit, in relation to the effective date thereof; and providing for the repeal of certain provisions upon expiration thereof

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

1     Section 1. Paragraph 1 of subdivision (c) of section 24-a of the tax  
2     law, as added by section 1 of part HH of chapter 59 of the laws of 2014,  
3     is amended to read as follows:

4     (1) article 9-A: section [210-B] 210: subdivision [47] 50.

5     S 2. Paragraph 1 of subdivision (e) of section 24-a of the tax law, as  
6     added by section 1 of part HH of chapter 59 of the laws of 2014, is  
7     amended to read as follows:

8     (1) The aggregate amount of tax credits allowed under this section,  
9     subdivision [forty-seven] FIFTY of section two hundred [ten-B] TEN and  
10    subsection (u) of section six hundred six of this chapter in any calen-  
11    dar year shall be four million dollars. Such aggregate amount of credits  
12    shall be allocated by the department of economic development among  
13    taxpayers in order of priority based upon the date of filing an applica-  
14    tion for allocation of musical and theatrical production credit with  
15    such department. If the total amount of allocated credits applied for in  
16    any particular year exceeds the aggregate amount of tax credits allowed  
17    for such year under this section, such excess shall be treated as having  
18    been applied for on the first day of the subsequent year.

19    S 3. Section 210 of the tax law is amended by adding a new subdivision  
20    50 to read as follows:

21    50. MUSICAL AND THEATRICAL PRODUCTION CREDIT. (A) ALLOWANCE OF CREDIT.  
22    A TAXPAYER WHO IS ELIGIBLE PURSUANT TO SECTION TWENTY-FOUR-A OF THIS  
23    CHAPTER SHALL BE ALLOWED A CREDIT TO BE COMPUTED AS PROVIDED IN SUCH  
24    SECTION AGAINST THE TAX IMPOSED BY THIS ARTICLE.

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

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1 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION  
2 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS  
3 THAN THE AMOUNT PRESCRIBED IN PARAGRAPH (D) OF SUBDIVISION ONE OF THIS  
4 SECTION. PROVIDED, HOWEVER, THAT IF THE AMOUNT OF THE CREDIT ALLOWABLE  
5 UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH  
6 AMOUNT, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CRED-  
7 ITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOU-  
8 SAND EIGHTY-SIX OF THIS CHAPTER. PROVIDED, FURTHER, THE PROVISIONS OF  
9 SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER  
10 NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

11 S 4. Clause (xxxix) of subparagraph B of paragraph 1 of subsection (i)  
12 of section 606 of the tax law, as added by section 3 of part HH of chap-  
13 ter 59 of the laws of 2014, is amended to read as follows:

14 (xxxix) Musical and theatrical	Amount of credit for
15 production credit under	the sum of the qualified
16 subsection (u)	production expenditures and
17	the transportation expenditures
18	in a qualified musical and
19	theatrical production under
20	subdivision [forty-seven] FIFTY of
21	section two hundred [ten-B] TEN

22 S 5. Section 5 of part HH of chapter 59 of the laws of 2014, amended  
23 the tax law relating to a musical and theatrical production credit, is  
24 amended to read as follows:

25 S 5. This act shall take effect immediately AND SHALL APPLY TO TAXABLE  
26 YEARS COMMENCING ON OR AFTER JANUARY 1, 2014, provided that section two  
27 of this act shall take effect on January 1, 2015, [and shall apply to  
28 taxable years beginning on or after January 1, 2015,] with respect to  
29 "qualified production expenditures" and "transportation expenditures"  
30 paid or incurred on or after such effective date, regardless of whether  
31 the production of the qualified musical or theatrical production  
32 commenced before such date, provided further that this act shall expire  
33 and be deemed repealed 4 years after such date.

34 S 6. This act shall take effect immediately, provided that: sections  
35 one, two, three and four of this act shall apply to taxable years  
36 commencing on or after January 1, 2014, and such sections shall expire  
37 and be deemed repealed on the effective date of section 17 of part A of  
38 chapter 59 of the laws of 2014, as amended.