

2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. HAWLEY -- Multi-Sponsored by -- M. of A. JOHNS --
read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to creating a local food and
products sourcing tax credit

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

- 1 Section 1. Section 210 of the tax law is amended by adding a new
2 subdivision 46 to read as follows:
3 46. LOCAL FOOD AND PRODUCTS SOURCING TAX CREDIT. 1. BUSINESSES SUBJECT
4 TO TAX LIABILITY UNDER ARTICLE NINE OR NINE-A OF THIS CHAPTER MAY CLAIM
5 THE LOCAL FOODS AND PRODUCTS SOURCING TAX CREDIT AGAINST ANY SUCH
6 LIABILITY AT THE CLOSE OF THE TAX YEAR PROVIDED, HOWEVER, THAT THE
7 UNUSED PORTION OF ANY TAX CREDIT CLAIMED SHALL NOT BE CARRIED FORWARD
8 AND APPLIED IN ANOTHER TAX YEAR.
9 2. FOR THE PURPOSES OF THIS SECTION THE FOLLOWING TERMS SHALL HAVE THE
10 FOLLOWING MEANINGS:
11 (A) "LOCAL PRODUCTS", ARE ANY PRODUCTS GROWN, RAISED, PRODUCED, OR
12 MANUFACTURED BY A PRODUCER WITHIN THE STATE OF NEW YORK, FROM SEED OR
13 CONCEPTION THROUGH FINAL PRODUCT;
14 (B) "PRODUCER", IS AN INDIVIDUAL (WHETHER ACTING INDIVIDUALLY OR
15 THROUGH A COOPERATIVE, CORPORATION, PARTNERSHIP, BUSINESS ASSOCIATION,
16 OR EDUCATIONAL INSTITUTION) WHO IS A FARMER, STUDENT FARMER, OR MANUFACTURER
17 OF FOODS OR GOODS IN NEW YORK STATE, IT SHALL NOT HOWEVER INCLUDE
18 A WHOLESALE OR DISTRIBUTOR;
19 (C) "NET SALES", ARE THE TOTAL SALES OF THE BUSINESS SUBJECT TO TAX.
20 3. THE AMOUNT OF THE CREDIT SHALL BE PROSCRIBED ACCORDING TO THE
21 FOLLOWING SCHEDULE:
22 (A) TWENTY PERCENT OF NET SALES ARE ATTRIBUTED TO LOCAL PRODUCTS THE
23 CREDIT SHALL BE ONE THOUSAND FIVE HUNDRED DOLLARS.

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

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1 (B) FORTY PERCENT OF NET SALES ARE ATTRIBUTED TO LOCAL PRODUCTS THE
2 CREDIT SHALL BE THREE THOUSAND DOLLARS.

3 (C) SIXTY PERCENT OF NET SALES ARE ATTRIBUTED TO LOCAL PRODUCTS THE
4 CREDIT SHALL BE SIX THOUSAND DOLLARS.

5 (D) EIGHTY PERCENT OF NET SALES ARE ATTRIBUTED TO LOCAL PRODUCTS THE
6 CREDIT SHALL BE TWELVE THOUSAND DOLLARS.

7 (E) ONE HUNDRED PERCENT OF NET SALES ARE ATTRIBUTED TO LOCAL PRODUCTS
8 THE CREDIT SHALL BE TWENTY-FIVE THOUSAND DOLLARS.

9 4.(A) BUSINESSES CLAIMING THE LOCAL FOOD AND PRODUCTS SOURCING TAX
10 CREDIT SHALL SUBMIT A COMPUTER-GENERATED REPORT WITH TAX RETURNS THAT
11 CLAIM A TAX CREDIT.

12 (B) SUCH REPORT SHALL INCLUDE THE NAME OF THE PRODUCER AND THE PHYS-
13 ICAL PLACE OF THE BUSINESS WHERE THE PRODUCTS ARE PRODUCED.

14 (C) THE AMOUNT PAID BY GROCER OR BUSINESS TO THE PRODUCER AND THE
15 AMOUNT OF UNITS PURCHASED.

16 S 2. This act shall take effect immediately.