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

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I N A S S E M B L Y

February 14, 2014

Introduced by M. of A. KEARNS -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing an income tax credit for flood victims in the town of West Seneca in the amount of property taxes paid on property which sustained substantial damage as a result of flooding in the period from January 6, 2014 to and including January 13, 2014

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

Section 1. Subsections (yy) and (zz) of section 606 of the tax law, as relettered by section 5 of part H of chapter 1 of the laws of 2003, are relettered subsections (yyy) and (zzz) and a new subsection (y) is added to read as follows:

(Y) TAX CREDIT FOR VICTIMS OF FLOODING IN THE TOWN OF WEST SENECA, COUNTY OF ERIE DURING THE PERIOD FROM JANUARY SIXTH, TWO THOUSAND FOURTEEN TO AND INCLUDING JANUARY THIRTEENTH, TWO THOUSAND FOURTEEN.

(1) ALLOWANCE OF CREDIT. A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT FOR TAXABLE YEARS TWO THOUSAND THIRTEEN AND TWO THOUSAND FOURTEEN, TO BE COMPUTED AS HEREINAFTER PROVIDED, AGAINST THE TAX IMPOSED BY THIS ARTICLE. FOR PURPOSES OF THIS PARAGRAPH, THE TERM "QUALIFIED TAXPAYER" MEANS A BUSINESS OR RESIDENT TAXPAYER.

(2) AMOUNT OF CREDIT. (A) THE AMOUNT OF THE CREDIT SHALL BE EQUAL TO THE AMOUNT OF SCHOOL TAXES PAID FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR AND THE AMOUNT OF ANY TOWN AND COUNTY TAXES PAID IN TAXABLE YEAR TWO THOUSAND FOURTEEN WITH RESPECT TO ANY PROPERTY WHICH RECEIVED SUBSTANTIAL DAMAGE AS A RESULT OF SEVERE FLOODING DURING THE PERIOD OF JANUARY SIXTH, TWO THOUSAND FOURTEEN TO JANUARY THIRTEENTH, TWO THOUSAND FOURTEEN, INCLUSIVE. (B) FOR PURPOSES OF THIS SUBSECTION, THE TERM "SUBSTANTIAL DAMAGE" MEANS DAMAGE OF ANY ORIGIN SUSTAINED BY A STRUCTURE WHEREBY THE COST OF RESTORING THE STRUCTURE TO ITS BEFORE DAMAGED CONDITION WOULD EQUAL OR EXCEED FIFTY PERCENT OF THE MARKET VALUE OF THE STRUCTURE BEFORE THE DAMAGE OCCURRED.

(3) ELIGIBILITY. (A) THE CREDIT SHALL ONLY BE ALLOWED WHERE THE AFFECTED PROPERTY IS LOCATED WITHIN THE TOWN OF WEST SENECA. (B) THE

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

LBD13860-01-4

CREDIT UNDER THIS SUBSECTION SHALL ONLY BE ALLOWED IF THE PROPERTY IS CONSIDERED THE TAXPAYER'S PRIMARY RESIDENCE.

(4) APPLICATION OF CREDIT. IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBSECTION SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THE TAX LAW, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

S 2. This act shall take effect immediately.