

9512--A

I N   A S S E M B L Y

May 6, 2014

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Introduced by M. of A. ORTIZ -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to establishing business franchise and personal income tax credits for businesses that donate food inventory to charitable organizations

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 50 to read as follows:  
3     50. CHARITABLE CONTRIBUTIONS OF FOOD INVENTORY CREDIT. (A) GENERAL. A  
4     TAXPAYER WHO CLAIMS A DEDUCTION UNDER TITLE 26 OF THE UNITED STATES  
5     CODE, SECTION 170, SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY  
6     THIS ARTICLE, FOR CHARITABLE CONTRIBUTIONS OF APPARENTLY WHOLESOME FOOD  
7     FROM SUCH TAXPAYER'S TRADE OR BUSINESSES.  
8     (B) DEFINITIONS. FOR PURPOSES OF THIS SECTION, THE TERMS "CHARITABLE  
9     CONTRIBUTION" AND "APPARENTLY WHOLESOME FOOD" SHALL HAVE THE SAME MEAN-  
10    ING AS SUCH TERMS ARE DEFINED IN TITLE 26 OF THE UNITED STATES CODE,  
11    SECTION 170.  
12    (C) AMOUNT OF CREDIT. THE CREDIT AUTHORIZED BY THIS SECTION SHALL  
13    EQUAL TEN PERCENT OF THE AMOUNT OF SUCH CONTRIBUTION OF APPARENTLY  
14    WHOLESOME FOOD DEDUCTED BY SUCH TAXPAYER IN COMPUTING FEDERAL TAXABLE  
15    INCOME FOR THE TAXABLE YEAR.  
16    (D) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION  
17    FOR ANY TAXABLE YEAR WILL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS  
18    THAN THE MINIMUM TAX FIXED BY THIS ARTICLE. HOWEVER, IF THE AMOUNT OF  
19    CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE  
20    TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH  
21    TAXABLE YEAR WILL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR  
22    REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND  
23    EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF  
24    SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER  
25    NOTWITHSTANDING, NO INTEREST WILL BE PAID THEREON.

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

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1 S 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
2 of the tax law is amended by adding a new clause (xli) to read as  
3 follows:

4 (XLI) CHARITABLE CONTRIBUTIONS OF	AMOUNT OF CREDIT UNDER
5 FOOD INVENTORY CREDIT UNDER	SUBDIVISION FIFTY
6 SUBSECTION (CCC)	OF SECTION TWO HUNDRED TEN

7 S 3. Section 606 of the tax law is amended by adding a new subsection  
8 (ccc) to read as follows:

9 (CCC) CHARITABLE CONTRIBUTIONS OF FOOD INVENTORY CREDIT. (1) GENERAL.  
10 A TAXPAYER WHO CLAIMS A DEDUCTION UNDER TITLE 26 OF THE UNITED STATES  
11 CODE, SECTION 170, SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY  
12 THIS ARTICLE, FOR CHARITABLE CONTRIBUTIONS OF APPARENTLY WHOLESOME FOOD  
13 FROM SUCH TAXPAYER'S TRADE OR BUSINESSES.

14 (2) DEFINITIONS. FOR PURPOSES OF THIS SECTION, THE TERMS "CHARITABLE  
15 CONTRIBUTION" AND "APPARENTLY WHOLESOME FOOD" SHALL HAVE THE SAME MEAN-  
16 ING AS SUCH TERMS ARE DEFINED IN TITLE 26 OF THE UNITED STATES CODE,  
17 SECTION 170.

18 (3) AMOUNT OF CREDIT. THE CREDIT AUTHORIZED BY THIS SECTION SHALL  
19 EQUAL TEN PERCENT OF THE AMOUNT OF SUCH CONTRIBUTION OF APPARENTLY  
20 WHOLESOME FOOD DEDUCTED BY SUCH TAXPAYER IN COMPUTING FEDERAL TAXABLE  
21 INCOME FOR THE TAXABLE YEAR.

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

28 S 4. This act shall take effect immediately and shall apply to taxable  
29 years beginning on or after January 1, 2014.