1799

2013-2014 Regular Sessions

IN SENATE

(PREFILED)

January 9, 2013

Introduced by Sen. ESPAILLAT -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

AN ACT to amend the administrative code of the city of New York and the tax law, in relation to establishing a tax table benefit recapture; and in relation to New York city personal income tax rates

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

Section 1. Section 11-1701 of the administrative code of the city of New York is amended by adding a new subdivision (i) to read as follows:

- (I) TAX TABLE BENEFIT RECAPTURE. FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN, THERE IS HEREBY IMPOSED A SUPPLEMENTAL TAX, IN ADDITION TO THE TAX IMPOSED UNDER THE OPENING PARAGRAPH OF THIS SECTION, FOR THE PURPOSE OF RECAPTURING THE BENEFIT OF THE TAX TABLES CONTAINED IN SUBDIVISION (A) OF THIS SECTION. THE SUPPLEMENTAL TAX SHALL BE AN AMOUNT EQUAL TO THE SUM OF THE TAX TABLE BENEFITS IN PARAGRAPHS ONE, TWO AND THREE OF THIS SUBDIVISION MULTIPLIED BY THEIR RESPECTIVE FRACTIONS IN SUCH PARAGRAPHS.
- (1) RESIDENT MARRIED INDIVIDUALS FILING JOINT RETURNS AND SURVIVING SPOUSES. SUBPARAGRAPHS (A) AND (B) OF THIS PARAGRAPH APPLY ONLY TO FILERS WHOSE TAXABLE INCOME EXCEEDS \$250,000.
 - (A) THE TAX TABLE BENEFIT IS \$333.

5

7

8

9

10

11

12

13 14

15

16

17

18

22

- (B) THE FRACTION IS COMPUTED AS FOLLOWS: THE NUMERATOR IS THE LESSER OF FIFTY THOUSAND DOLLARS OR THE EXCESS OF NEW YORK ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR OVER TWO HUNDRED FIFTY THOUSAND DOLLARS AND THE DENOMINATOR IS FIFTY THOUSAND DOLLARS.
- 19 (2) RESIDENT UNMARRIED INDIVIDUALS AND RESIDENT MARRIED INDIVIDUALS 20 FILING SEPARATE RETURNS. SUBPARAGRAPHS (A) AND (B) OF THIS PARAGRAPH 21 APPLY ONLY TO FILERS WHOSE TAXABLE INCOME EXCEEDS \$150,000.
 - (A) THE TAX TABLE BENEFIT IS \$185.

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

LBD02970-01-3

S. 1799 2

1 (B) THE FRACTION IS COMPUTED AS FOLLOWS: THE NUMERATOR IS THE LESSER 2 OF FIFTY THOUSAND DOLLARS OR THE EXCESS OF NEW YORK ADJUSTED GROSS 3 INCOME FOR THE TAXABLE YEAR OVER ONE HUNDRED FIFTY THOUSAND DOLLARS AND 4 THE DENOMINATOR IS FIFTY THOUSAND DOLLARS.

- 5 (3) RESIDENT HEAD OF HOUSEHOLD. SUBPARAGRAPHS (A) AND (B) OF THIS 6 PARAGRAPH APPLY ONLY TO FILERS WHOSE TAXABLE INCOME EXCEEDS \$180,000.
 - (A) THE TAX TABLE BENEFIT IS \$222.

7

- 8 (B) THE FRACTION IS COMPUTED AS FOLLOWS: THE NUMERATOR IS THE LESSER 9 OF FIFTY THOUSAND DOLLARS OR THE EXCESS OF NEW YORK ADJUSTED GROSS 10 INCOME FOR THE TAXABLE YEAR OVER ONE HUNDRED EIGHTY THOUSAND DOLLARS AND 11 THE DENOMINATOR IS FIFTY THOUSAND DOLLARS.
- 12 S 2. Paragraph 1 of subdivision (a) of section 11-1701 of the admin-13 istrative code of the city of New York is amended by adding a new 14 subparagraph (C) to read as follows:
- 15 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN:

```
IF THE CITY TAXABLE INCOME IS:
                                                  THE TAX IS:
16
17
    NOT OVER $21,600
                                                 2.168% OF THE CITY TAXABLE INCOME
                                                 $468 PLUS 2.635% OF EXCESS
18
    OVER $21,600 BUT NOT
    OVER $45,000
                                                 OVER $21,600
19
20
    OVER $45,000 BUT NOT
                                                 $1,085 PLUS 2.993% OF EXCESS
21
   OVER $90,000
                                                 OVER $45,000
                                            $2,432 PLUS 3.15% OF EXCESS OVER $90,000 $4,322 PLUS 3.2% OF EXCESS OVER $150,000 $15,522 PLUS 3.4% OF EXCESS OVER $500,000 $32,522 PLUS 3.7% OF EXCESS
   OVER $90,000 BUT NOT
22
                                                 $2,432 PLUS 3.15% OF EXCESS
   OVER $150,000
23
   OVER $150,000 BUT NOT
24
   OVER $500,000
25
26
   OVER $500,000 BUT NOT
                                                 $15,522 PLUS 3.4% OF EXCESS
   OVER $1,000,000
27
   OVER $1,000,000
OVER $1,000,000 BUT NOT
                                                 $32,522 PLUS 3.7% OF EXCESS
28
29
   OVER $2,000,000
                                                  OVER $1,000,000
   OVER $2,000,000
                                                  $69,522 PLUS 3.8% OF EXCESS
30
31
                                                  OVER $2,000,000
```

- S 3. Paragraph 2 of subdivision (a) of section 11-1701 of the administrative code of the city of New York is amended by adding a new subparaqraph (C) to read as follows:
- 35 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN:

36 37	IF THE CITY TAXABLE INCOME IS: NOT OVER \$14,400	THE TAX IS: 2.168% OF THE CITY TAXABLE INCOME
38	OVER \$14,400 BUT NOT	\$312 PLUS 2.635% OF EXCESS
39	OVER \$30,000	OVER \$14,400
40	OVER \$30,000 BUT NOT	\$723 PLUS 2.993% OF EXCESS
41	OVER \$60,000	OVER \$30,000
42	OVER \$60,000 BUT NOT	\$1,621 PLUS 3.15% OF EXCESS
43	OVER \$100,000	OVER \$60,000
44	OVER \$100,000 BUT NOT	\$2,881 PLUS 3.2% OF EXCESS
45	OVER \$500,000	OVER \$100,000
46	OVER \$500,000 BUT NOT	\$15,681 PLUS 3.4% OF EXCESS
47	OVER \$1,000,000	OVER \$500,000
48	OVER \$1,000,000 BUT NOT	\$32,681 PLUS 3.7% OF EXCESS
49	OVER \$2,000,000	OVER \$1,000,000
50	OVER \$2,000,000	\$69,681 PLUS 3.8% OF EXCESS
51		OVER \$2,000,000

S. 1799

S 4. Paragraph 3 of subdivision (a) of section 11-1701 of the administrative code of the city of New York is amended by adding a new subparagraph (C) to read as follows: (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN: 5 IF THE CITY TAXABLE INCOME IS:
6 NOT OVER \$12,000
7 OVER \$12,000 BUT NOT
8 OVER \$25,000
9 OVER \$25,000
9 OVER \$50,000
11 OVER \$50,000
12 OVER \$83,000
13 OVER \$83,000
14 OVER \$500,000
15 OVER \$500,000
16 OVER \$500,000
17 OVER \$1,000,000
18 OVER \$1,000,000
19 OVER \$2,000,000
10 OVER \$1,000,000
11 OVER \$500,000
12 OVER \$500,000
13 OVER \$500,000
14 OVER \$500,000
15 OVER \$500,000
16 OVER \$1,000,000
17 OVER \$1,000,000
18 OVER \$1,000,000
19 OVER \$2,000,000
19 OVER \$2,000,000
19 OVER \$2,000,000
19 OVER \$2,000,000
10 OVER \$2,000,000
10 OVER \$2,000,000
11 OVER \$2,000,000
12 OVER \$2,000,000
13 OVER \$1,000,000
14 OVER \$1,000,000
15 OVER \$1,000,000
16 OVER \$1,000,000
17 OVER \$1,000,000
18 OVER \$2,000,000
19 OVER \$2,000,000 21 5. Paragraph 1 of subsection (a) of section 1304 of the tax law is amended by adding a new subparagraph (C) to read as follows: 22 23 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN: 24 IF THE CITY TAXABLE INCOME IS:
25 NOT OVER \$21,600
26 OVER \$21,600 BUT NOT
27 OVER \$45,000
28 OVER \$45,000
29 OVER \$90,000
30 OVER \$90,000
30 OVER \$90,000
31 OVER \$150,000
32 OVER \$150,000
33 OVER \$150,000
34 OVER \$500,000
35 OVER \$500,000
36 OVER \$500,000
37 OVER \$1,000,000
38 OVER \$2,000,000
39 OVER \$1,000,000
30 OVER \$500,000
30 OVER \$150,000
30 OVER \$150,000
31 OVER \$150,000
32 OVER \$150,000
34 OVER \$150,000
35 OVER \$500,000
36 OVER \$500,000
37 OVER \$1,000,000
38 OVER \$2,000,000
39 OVER \$2,000,000
30 OVER \$2,000,000
30 OVER \$1,000,000
31 OVER \$1,000,000
32 OVER \$1,000,000
33 OVER \$500,000
34 OVER \$500,000
35 OVER \$1,000,000
36 OVER \$1,000,000
37 OVER \$2,000,000
38 OVER \$2,000,000 OVER \$2,000,000 \$69,522 PLUS 3.8% OF EXCESS 38 OVER \$2,000,000 39 40 S 6. Paragraph 2 of subsection (a) of section 1304 of the tax law is 41 amended by adding a new subparagraph (C) to read as follows: 42 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN: 42 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN:
43 IF THE CITY TAXABLE INCOME IS:
44 NOT OVER \$14,400
45 OVER \$14,400 BUT NOT
46 OVER \$30,000
47 OVER \$30,000 BUT NOT
48 OVER \$60,000
49 OVER \$60,000
49 OVER \$60,000 BUT NOT
50 OVER \$100,000
51 OVER \$100,000 BUT NOT
50 OVER \$100,000 BUT NOT
50 OVER \$100,000 BUT NOT
50 OVER \$100,000 BUT NOT
51 OVER \$100,000 BUT NOT
52,881 PLUS 3.2% OF EXCESS 2.168% OF THE CITY TAXABLE INCOME \$312 PLUS 2.635% OF EXCESS S. 1799 4

```
OVER $500,000
                                          OVER $100,000
  OVER $500,000 BUT NOT
                                           $15,681 PLUS 3.4% OF EXCESS
  OVER $1,000,000
                                          OVER $500,000
  OVER $1,000,000 BUT NOT
                                          $32,681 PLUS 3.7% OF EXCESS
5
  OVER $2,000,000
                                          OVER $1,000,000
6
  OVER $2,000,000
                                           $69,681 PLUS 3.8% OF EXCESS
7
                                          OVER $2,000,000
```

8 S 7. Paragraph 3 of subsection (a) of section 1304 of the tax law is 9 amended by adding a new subparagraph (C) to read as follows:

10 (C) FOR TAXABLE YEARS BEGINNING IN TWO THOUSAND FOURTEEN: IF THE CITY TAXABLE INCOME IS: 11 THE TAX IS: 12 NOT OVER \$12,000 2.168% OF THE CITY TAXABLE INCOME 13 OVER \$12,000 BUT NOT \$260 PLUS 2.635% OF EXCESS 14 OVER \$25,000 OVER \$12,000 OVER \$25,000 BUT NOT 15 \$603 PLUS 2.993% OF EXCESS OVER \$50,000 OVER \$25,000 16 17 OVER \$50,000 BUT NOT \$1,351 PLUS 3.15% OF EXCESS OVER \$83,000 OVER \$50,000 18 OVER \$83,000 BUT NOT 19 \$2,400 PLUS 3.2% OF EXCESS 20 OVER \$500,000 OVER \$83,000 21 OVER \$500,000 BUT NOT \$15,734 PLUS 3.4% OF EXCESS OVER \$500,000 22 OVER \$1,000,000 23 OVER \$1,000,000 BUT NOT \$32,734 PLUS 3.7% OF EXCESS 24 OVER \$2,000,000 OVER \$1,000,000 \$69,734 PLUS 3.8% OF EXCESS 25 OVER \$2,000,000 26 OVER \$2,000,000

27 S 8. The commissioner of taxation and finance shall take steps to 28 publicize the necessary adjustments to estimated tax and, to the extent 29 reasonably possible, to inform the taxpayer of the tax liability changes 30 made by this act.

31 S 9. This act shall take effect immediately.