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

7459--A

I N S E N A T E

May 15, 2014

Introduced by Sen. MAZIARZ -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- 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:

Section 1. Section 210 of the tax law is amended by adding a new subdivision 50 to read as follows:

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

(B) DEFINITIONS. FOR PURPOSES OF THIS SECTION, THE TERMS "CHARITABLE CONTRIBUTION" AND "APPARENTLY WHOLESOME FOOD" SHALL HAVE THE SAME MEANING AS SUCH TERMS ARE DEFINED IN TITLE 26 OF THE UNITED STATES CODE, SECTION 170.

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

(D) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR WILL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM TAX FIXED BY THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR WILL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER 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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S 2. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (xli) to read as follows:

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

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

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

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

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

(4) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR 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 THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

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