

6413

2015-2016 Regular Sessions

I N   A S S E M B L Y

March 24, 2015

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

AN ACT to amend the tax law, in relation to increasing the exemption for  
pensions and annuities for certain persons

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

1     Section 1. Paragraph 3-a of subsection (c) of section 612 of the tax  
2     law, as amended by chapter 760 of the laws of 1992, is amended to read  
3     as follows:  
4     (3-a) Pensions and annuities received by an individual who has  
5     attained the age of fifty-nine and one-half, not otherwise excluded  
6     pursuant to paragraph three of this subsection, to the extent includible  
7     in gross income for federal income tax purposes, but not in excess of  
8     [twenty] TWENTY-SEVEN THOUSAND DOLLARS FOR ANY TAXABLE YEAR BEGINNING ON  
9     OR AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN, THIRTY-FOUR THOUSAND  
10    DOLLARS FOR ANY TAXABLE YEAR BEGINNING ON OR AFTER JANUARY FIRST, TWO  
11    THOUSAND SIXTEEN, AND FORTY thousand dollars IN EACH SUBSEQUENT YEAR,  
12    which are periodic payments attributable to personal services performed  
13    by such individual prior to his retirement from employment, which arise  
14    (i) from an employer-employee relationship or (ii) from contributions to  
15    a retirement plan which are deductible for federal income tax purposes.  
16    However, the term "pensions and annuities" shall also include distrib-  
17    utions received by an individual who has attained the age of fifty-nine  
18    and one-half from an individual retirement account or an individual  
19    retirement annuity, as defined in section four hundred eight of the  
20    internal revenue code, and distributions received by an individual who  
21    has attained the age of fifty-nine and one-half from self-employed indi-  
22    vidual and owner-employee retirement plans which qualify under section  
23    four hundred one of the internal revenue code, whether or not the  
24    payments are periodic in nature. Nevertheless, the term "pensions and  
25    annuities" shall not include any lump sum distribution, as defined in

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

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1 subparagraph (A) of paragraph four of subsection (e) of section four  
2 hundred two of the internal revenue code and taxed under section six  
3 hundred three of this article. Where a husband and wife file a joint  
4 state personal income tax return, the modification provided for in this  
5 paragraph shall be computed as if they were filing separate state  
6 personal income tax returns. Where a payment would otherwise come within  
7 the meaning of the term "pensions and annuities" as set forth in this  
8 paragraph, except that such individual is deceased, such payment shall,  
9 nevertheless, be treated as a pension or annuity for purposes of this  
10 paragraph if such payment is received by such individual's beneficiary.  
11 S 2. This act shall take effect immediately and shall be deemed to  
12 have been in full force and effect on and after the first of January of  
13 the year in which it shall have become a law.