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

6935

2015-2016 Regular Sessions

I N A S S E M B L Y

April 10, 2015

Introduced by M. of A. PALUMBO -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to increasing the base figure for the STAR exemption (Part A); and to amend the tax law, in relation to adjusting certain rates for the imposition of personal income tax (Part B)

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

Section 1. This act enacts into law components of legislation relating to the "Affordable NY act". Each component is wholly contained within a Part identified as Parts A through B. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Subparagraph (vi) of paragraph (b) of subdivision 2 of section 425 of the real property tax law, as added by section 1 of part D-1 of chapter 57 of the laws of 2007, clause (A) as further amended by subdivision (b) of section 1 of part W of chapter 56 of the laws of 2010, is amended to read as follows:

(vi) For the two thousand nine--two thousand ten school year [and thereafter] THROUGH THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL YEAR:

(A) The base figure for the enhanced STAR exemption shall equal the prior year's base figure multiplied by the percentage increase in the

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

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consumer price index for urban wage earners and clerical workers (CPI-W) published by the United States department of labor, bureau of labor statistics, for the third quarter of the calendar year preceding the applicable school year, as compared to the third quarter of the prior calendar year. If a base figure as so determined is not exactly equal to a multiple of one hundred dollars, it shall be rounded to the nearest multiple of one hundred dollars. It shall be the responsibility of the commissioner to annually determine such base figures.

(B) The base figure for the basic STAR exemption shall be thirty thousand dollars.

S 2. Paragraph (b) of subdivision 2 of section 425 of the real property tax law is amended by adding a new subparagraph (vii) to read as follows:

(VII) FOR THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL YEAR AND THEREAFTER:

(A) THE BASE FIGURE FOR THE ENHANCED STAR EXEMPTION SHALL EQUAL THE PRIOR YEAR'S BASE FIGURE MULTIPLIED BY THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (CPI-W) PUBLISHED BY THE UNITED STATES DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, FOR THE THIRD QUARTER OF THE CALENDAR YEAR PRECEDING THE APPLICABLE SCHOOL YEAR, AS COMPARED TO THE THIRD QUARTER OF THE PRIOR CALENDAR YEAR, MULTIPLIED BY TWO. IF A BASE FIGURE AS SO DETERMINED IS NOT EXACTLY EQUAL TO A MULTIPLE OF ONE HUNDRED DOLLARS, IT SHALL BE ROUNDED TO THE NEAREST MULTIPLE OF ONE HUNDRED DOLLARS. IT SHALL BE THE RESPONSIBILITY OF THE COMMISSIONER TO ANNUALLY DETERMINE SUCH BASE FIGURES.

(B) THE BASE FIGURE FOR THE BASIC STAR EXEMPTION SHALL BE SIXTY THOUSAND DOLLARS.

S 3. Subparagraph (i) of paragraph (a) of subdivision 2 of section 1306-a of the real property tax law, as amended by section 6 of part N of chapter 58 of the laws of 2011, is amended to read as follows:

(i) The tax savings for each parcel receiving the exemption authorized by section four hundred twenty-five of this chapter shall be computed by subtracting the amount actually levied against the parcel from the amount that would have been levied if not for the exemption[, provided however, that beginning with the two thousand eleven-two thousand twelve school year, the tax savings applicable to any "portion" (which as used herein shall mean that part of an assessing unit located within a school district) shall not exceed the tax savings applicable to that portion in the prior school year multiplied by one hundred two percent, with the result rounded to the nearest dollar]. The tax savings attributable to the basic and enhanced exemptions shall be calculated separately. It shall be the responsibility of the commissioner to calculate tax savings limitations for purposes of this subdivision.

S 4. This act shall take effect immediately.

PART B

Section 1. Paragraph 1 of subsection (a) of section 601 of the tax law, as amended by section 1 of part FF of chapter 59 of the laws of 2013, is amended to read as follows:

(1) (A) For taxable years beginning after two thousand eleven and before two thousand [eighteen] SIXTEEN:

If the New York taxable income is:	The tax is:
Not over $16,000	4% of taxable income
Over $16,000 but not over $22,000	$640 plus 4.5% of excess over $16,000
Over $22,000 but not over $26,000	$910 plus 5.25% of excess over $22,000
Over $26,000 but not over $40,000	$1,120 plus 5.90% of excess over $26,000
Over $40,000 but not over $150,000	$1,946 plus 6.45% of excess over $40,000
Over $150,000 but not over $300,000	$9,041 plus 6.65% of excess over $150,000
Over $300,000 but not over $2,000,000	$19,016 plus 6.85% of excess over $300,000
Over $2,000,000	$135,466 plus 8.82% of excess over $2,000,000

(B) For taxable years beginning after two thousand seventeen, the following brackets and dollar amounts shall apply, as adjusted by the cost of living adjustment prescribed in section six hundred one-a of this part for tax years two thousand thirteen through two thousand seventeen:

If the New York taxable income is:	The tax is:
Not over $16,000	[4%] 2% of taxable income
Over $16,000 but not over $22,000	[$640] $320 plus [4.5%] 2.5% of excess over $16,000
Over $22,000 but not over $26,000	[$910] $470 plus [5.25%] 3.25% of excess over $22,000
Over $26,000 but not over $40,000	[$1,120] $600 plus [5.90%] 3.90% of excess over $26,000
Over $40,000 BUT NOT OVER $150,000	[$1,946] $1,146 plus [6.85%] 4.45% of excess over $40,000
OVER $150,000 BUT NOT OVER $300,000	$6,041 PLUS 4.65% OF EXCESS OVER $150,000
OVER $300,000	$13,016 PLUS 6.85% OF EXCESS OVER $300,000

(C) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND FIFTEEN AND BEFORE TWO THOUSAND EIGHTEEN, THE FOLLOWING BRACKETS AND DOLLAR AMOUNTS SHALL APPLY, AS ADJUSTED BY THE COST OF LIVING ADJUSTMENT PRESCRIBED IN SECTION SIX HUNDRED ONE-A OF THIS PART FOR TAX YEARS TWO THOUSAND THIRTEEN THROUGH TWO THOUSAND FIFTEEN:

IF THE NEW YORK TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $16,000	2% OF TAXABLE INCOME
OVER $16,000 BUT NOT OVER $22,000	$320 PLUS 2.5% OF EXCESS OVER $16,000
OVER $22,000 BUT NOT OVER $26,000	$470 PLUS 3.25% OF EXCESS OVER $22,000
OVER $26,000 BUT NOT OVER $40,000	$600 PLUS 3.90% OF EXCESS OVER

	$26,000
OVER $40,000 BUT NOT OVER $150,000	$1,146 PLUS 4.45% OF EXCESS OVER $40,000
OVER $150,000 BUT NOT OVER $300,000	$6,041 PLUS 4.65% OF EXCESS OVER $150,000
OVER $300,000 TO $2 MILLION	$13,016 PLUS 6.85% OF EXCESS OVER $300,000
OVER $2 MILLION	$129,466 PLUS 8.82% OF EXCESS OVER $2 MILLION

S 2. Paragraph 1 of subsection (b) of section 601 of the tax law, as amended by section 2 of part FF of chapter 59 of the laws of 2013, is amended to read as follows:

(1) (A) For taxable years beginning after two thousand eleven and before two thousand [eighteen] SIXTEEN:

If the New York taxable income is:	The tax is:
Not over $12,000	4% of taxable income
Over $12,000 but not over $16,500	$480 plus 4.5% of excess over $12,000
Over $16,500 but not over $19,500	$683 plus 5.25% of excess over $16,500
Over $19,500 but not over $30,000	$840 plus 5.90% of excess over $19,500
Over $30,000 but not over $100,000	$1,460 plus 6.45% of excess over $30,000
Over $100,000 but not over $250,000	$5,975 plus 6.65% of excess over $100,000
Over $250,000 but not over $1,500,000	$15,950 plus 6.85% of excess over $250,000
Over $1,500,000	$101,575 plus 8.82% of excess over $1,500,000

(B) For taxable years beginning after two thousand seventeen, the following brackets and [dollars] DOLLAR amounts shall apply, as adjusted by the cost of living adjustment prescribed in section six hundred one-a of this part for tax years two thousand thirteen through two thousand seventeen:

If the New York taxable income is:	The tax is:
Not over $12,000	[4%] 2% of taxable income
Over $12,000 but not over $16,500	[$480] $240 plus [4.5%] 2.5% of excess over $12,000
Over $16,500 but not over $19,500	[$683] $353 plus [5.25%] 3.25% of excess over $16,500
Over $19,500 but not over $30,000	[$840] $451 plus [5.90%] 3.90% of excess over $19,500
Over $30,000 BUT NOT OVER $100,000	[$1,460] $861 plus [6.85%] 4.45% of excess over $30,000
OVER $100,000 BUT NOT OVER $250,000	$3,976 PLUS 4.65% OF EXCESS OVER $100,000
OVER $250,000	$10,951 PLUS 6.85% OF EXCESS OVER $250,000

(C) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND FIFTEEN AND BEFORE TWO THOUSAND EIGHTEEN, THE FOLLOWING BRACKETS AND DOLLAR AMOUNTS SHALL APPLY, AS ADJUSTED BY THE COST OF LIVING ADJUSTMENT PRESCRIBED IN SECTION SIX HUNDRED ONE-A OF THIS PART FOR TAX YEARS TWO THOUSAND THIRTEEN THROUGH TWO THOUSAND FIFTEEN:

IF THE NEW YORK TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $12,000	2% OF TAXABLE INCOME
OVER $12,000 BUT NOT OVER $16,500	$240 PLUS 2.5% OF EXCESS OVER $12,000
OVER $16,500 BUT NOT OVER $19,500	$353 PLUS 3.25% OF EXCESS OVER $16,500
OVER $19,500 BUT NOT OVER $30,000	$451 PLUS 3.90% OF EXCESS OVER $19,500
OVER $30,000 BUT NOT OVER $100,000	$861 PLUS 4.45% OF EXCESS OVER $30,000
OVER $100,000 BUT NOT OVER $250,000	$3,976 PLUS 4.65% OF EXCESS OVER $100,000
OVER $250,000 BUT NOT OVER $1.5 MILLION	$10,951 PLUS 6.85% OF EXCESS OVER $250,000
OVER $1.5 MILLION	$96,576 PLUS 8.82% OF EXCESS OVER $1.5 MILLION

S 3. Paragraph 1 of subsection (c) of section 601 of the tax law, as amended by section 3 of part FF of chapter 59 of the laws of 2013, is amended to read as follows:

(1) (A) For taxable years beginning after two thousand eleven and before two thousand [eighteen] SIXTEEN:

If the New York taxable income is:	The tax is:
Not over $8,000	4% of taxable income
Over $8,000 but not over $11,000	$320 plus 4.5% of excess over $8,000
Over $11,000 but not over $13,000	$455 plus 5.25% of excess over $11,000
Over $13,000 but not over $20,000	$560 plus 5.90% of excess over $13,000
Over $20,000 but not over $75,000	$973 plus 6.45% of excess over $20,000
Over $75,000 but not over $200,000	$4,521 plus 6.65% of excess over $75,000
Over $200,000 but not over $1,000,000	$12,833 plus 6.85% of excess over $200,000
Over $1,000,000	$67,633 plus 8.82% of excess over $1,000,000

(B) For taxable years beginning after two thousand seventeen, the following brackets and [dollars] DOLLAR amounts shall apply, as adjusted by the cost of living adjustment prescribed in section six hundred one-a of this part for tax years two thousand thirteen through two thousand seventeen:

If the New York taxable income is:	The tax is:
Not over $8,000	[4%] 2% of taxable income
Over $8,000 but not over $11,000	[$320] $160 plus [4.5%] 2.5%

	of excess over $8,000
Over $11,000 but not over $13,000	[$455] $235 plus
	[5.25%] 3.25%
	of excess over $11,000
Over $13,000 but not over $20,000	[$560] $300 plus
	[5.90%] 3.90%
	of excess over $13,000
Over $20,000 BUT NOT OVER	[$973] $573 plus
$75,000	[6.85%] 4.45%
	of excess over $20,000
OVER $75,000 BUT NOT	$3,021 PLUS 4.65% OF EXCESS OVER
OVER $200,000	$75,000
OVER $200,000	$8,834 PLUS 6.85% OF EXCESS OVER
	$200,000

(C) FOR TAXABLE YEARS BEGINNING AFTER TWO THOUSAND FIFTEEN AND BEFORE TWO THOUSAND EIGHTEEN, THE FOLLOWING BRACKETS AND DOLLAR AMOUNTS SHALL APPLY, AS ADJUSTED BY THE COST OF LIVING ADJUSTMENT PRESCRIBED IN SECTION SIX HUNDRED ONE-A OF THIS PART FOR TAX YEARS TWO THOUSAND THIRTEEN THROUGH TWO THOUSAND FIFTEEN:

IF THE NEW YORK TAXABLE INCOME IS:	THE TAX IS:
NOT OVER $8,000	2% OF TAXABLE INCOME
OVER $8,000 BUT NOT OVER $11,000	$160 PLUS 2.5% OF EXCESS OVER $8,000
OVER $11,000 BUT NOT OVER $13,000	$235 PLUS 3.25% OF EXCESS OVER $11,000
OVER $13,000 BUT NOT OVER $20,000	$300 PLUS 3.90% OF EXCESS OVER $13,000
OVER $20,000 BUT NOT OVER $75,000	$573 PLUS 4.45% OF EXCESS OVER $20,000
OVER $75,000 BUT NOT OVER $200,000	$3,021 PLUS 4.65% OF EXCESS OVER $75,000
OVER $200,000 TO $1 MILLION	$8,834 PLUS 6.85% OF EXCESS OVER $200,000
OVER $1 MILLION	$63,634 PLUS 8.82% OF EXCESS OVER $1 MILLION

S 4. This act shall take effect immediately.

S 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by a court of component jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be in the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

S 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through B of this act shall be as specifically set forth in the last section of such Parts.