

6968--A

2015-2016 Regular Sessions

I N   A S S E M B L Y

April 15, 2015

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Introduced by M. of A. CUSICK -- read once and referred to the Committee on Ways and Means -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to providing a tax credit for businesses that purchase flood insurance; and providing for the repeal of such provisions upon expiration thereof

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

1     Section 1. Section 210-B of the tax law is amended by adding a new  
2     subdivision 49 to read as follows:  
3     49. TAX CREDIT FOR BUSINESSES WHICH PURCHASE FLOOD INSURANCE. (A) A  
4     QUALIFIED TAXPAYER SHALL BE ALLOWED AN ANNUAL CREDIT FOR THE PURCHASE OF  
5     FLOOD INSURANCE. THE CREDIT SHALL BE EQUAL TO: (I) SEVENTY-FIVE PERCENT  
6     OF THE COST OF FLOOD INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY  
7     FIRST, TWO THOUSAND SEVENTEEN; (II) FIFTY PERCENT OF THE COST OF FLOOD  
8     INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGH-  
9     TEEN; AND (III) TWENTY-FIVE PERCENT OF THE COST OF FLOOD INSURANCE FOR  
10    THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHTEEN AND BEFORE  
11    JANUARY FIRST, TWO THOUSAND NINETEEN.  
12    (B) IN NO EVENT SHALL THE CREDIT UNDER THIS SUBDIVISION REDUCE THE TAX  
13    PAYABLE TO LESS THAN THE DOLLAR AMOUNT FIXED AS A MINIMUM TAX BY PARA-  
14    GRAPH (D) OF SUBDIVISION ONE OF SECTION TWO HUNDRED TEN OF THIS ARTICLE.  
15    HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY  
16    TAXABLE YEAR WOULD HAVE REDUCED THE TAX TO SUCH AMOUNT, ANY AMOUNT OF  
17    CREDIT THUS NOT USED IN SUCH TAXABLE YEAR MAY BE TREATED AS AN OVERPAY-  
18    MENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS  
19    OF SECTION ONE THOUSAND EIGHTY-SIX OF THIS CHAPTER.  
20    (C) FOR PURPOSES OF THIS SUBDIVISION, "QUALIFIED TAXPAYER" SHALL  
21    INCLUDE, BUT NOT BE LIMITED TO BUSINESSES OPERATING IN OR OUT OF A RESI-

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

LBD03106-03-6

1 DENCE WHOSE BUSINESS IS LOCATED WITHIN A HEIGHTENED FLOOD RISK ZONE AND  
2 DOES NOT CURRENTLY HAVE FLOOD INSURANCE.

3 S 2. Section 606 of the tax law is amended by adding a new subsection  
4 (s-1) to read as follows:

5 (S-1) CREDIT FOR ANNUAL BUSINESS PURCHASE OF FLOOD INSURANCE. (1) A  
6 QUALIFIED TAXPAYER SHALL BE ALLOWED AN ANNUAL CREDIT AS HEREINAFTER  
7 PROVIDED AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE OF  
8 FLOOD INSURANCE. THE AMOUNT OF THE CREDIT SHALL BE: (I) SEVENTY-FIVE  
9 PERCENT OF THE COST OF FLOOD INSURANCE FOR THE BUSINESS ON OR AFTER  
10 JANUARY FIRST, TWO THOUSAND SEVENTEEN; (II) FIFTY PERCENT OF THE COST OF  
11 FLOOD INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND  
12 EIGHTEEN; AND (III) TWENTY-FIVE PERCENT OF THE COST OF FLOOD INSURANCE  
13 FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHTEEN AND  
14 BEFORE JANUARY FIRST, TWO THOUSAND NINETEEN.

15 (2) FOR PURPOSES OF THIS SUBSECTION, "QUALIFIED TAXPAYER" SHALL  
16 INCLUDE, BUT NOT BE LIMITED TO BUSINESSES OPERATING IN OR OUT OF A RESI-  
17 DENCE WHOSE BUSINESS IS LOCATED WITHIN A HEIGHTENED FLOOD RISK ZONE AND  
18 DOES NOT CURRENTLY HAVE FLOOD INSURANCE.

19 (3) IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION SHALL  
20 EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS MAY BE TREATED AS AN  
21 OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE  
22 PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED,  
23 HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

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

27 (XLI) PURCHASE OF FLOOD INSURANCE AMOUNT OF CREDIT UNDER  
28 BY BUSINESSES UNDER SUBSECTION (S-1) SUBDIVISION FORTY-NINE OF  
29 SECTION TWO HUNDRED TEN-B

30 S 4. The commissioner of taxation and finance shall prescribe rules  
31 and regulations necessary to establish the criteria for a heightened  
32 flood risk zone and for the implementation of the tax credit for busi-  
33 nesses which purchase flood insurance provided by this act.

34 S 5. This act shall take effect on the sixtieth day after it shall  
35 have become a law and shall expire December 31, 2019, when upon such  
36 date the provisions of this act shall be deemed repealed.