

9466

I N   A S S E M B L Y

March 8, 2016

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

AN ACT to amend the tax law, in relation to the tax treatment of farm  
income of certain farm business taxpayers

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

1     Section 1. Paragraph 39 of subsection (c) of section 612 of the tax  
2     law, as added by section 1 of part Y of chapter 59 of the laws of 2013,  
3     is amended to read as follows:  
4     (39) (A) In the case of a taxpayer who is a small business who has  
5     business income [and/or farm income] as defined in the laws of the  
6     United States, an amount equal to three percent of the net items of  
7     income, gain, loss and deduction attributable to such business [or farm]  
8     entering into federal adjusted gross income, but not less than zero, for  
9     taxable years beginning after two thousand thirteen, an amount equal to  
10    three and three-quarters percent of the net items of income, gain, loss  
11    and deduction attributable to such business [or farm] entering into  
12    federal adjusted gross income, but not less than zero, for taxable years  
13    beginning after two thousand fourteen, and an amount equal to five  
14    percent of the net items of income, gain, loss and deduction attribut-  
15    able to such business [or farm] entering into federal adjusted gross  
16    income, but not less than zero, for taxable years beginning after two  
17    thousand fifteen. For the purposes of this paragraph, the term small  
18    business shall mean a sole proprietor [or a farm business] who employs  
19    one or more persons during the taxable year and who has net business  
20    income [or net farm income] of less than two hundred fifty thousand  
21    dollars.  
22    (B) IN THE CASE OF A TAXPAYER WHO IS A FARM BUSINESS OR A TAXPAYER WHO  
23    IS A MEMBER, PARTNER, OR SHAREHOLDER OF A LIMITED LIABILITY COMPANY,  
24    PARTNERSHIP, OR NEW YORK S CORPORATION, RESPECTIVELY, THAT IS A FARM  
25    BUSINESS, WHO OR WHICH HAS FARM INCOME AS DEFINED BY THE LAWS OF THE  
26    UNITED STATES, AN AMOUNT EQUAL TO TWENTY PERCENT OF THE NET ITEMS OF  
27    INCOME, GAIN, LOSS AND DEDUCTION ATTRIBUTABLE TO SUCH FARM. FOR THE  
28    PURPOSES OF THIS PARAGRAPH, THE TERM FARM BUSINESS SHALL MEAN A FARM

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

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1 BUSINESS THAT HAS NET FARM INCOME OF LESS THAN THREE HUNDRED FIFTY THOU-  
2 SAND DOLLARS.  
3 S 2. This act shall take effect immediately and shall apply to taxable  
4 years beginning on or after January 1, 2017.