

2961

2015-2016 Regular Sessions

I N S E N A T E

January 30, 2015

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

AN ACT to amend the tax law, in relation to providing an asbestos remediation tax credit

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

- 1 Section 1. The tax law is amended by adding a new section 23-a to read  
2 as follows:  
3 S 23-A. ASBESTOS REMEDIATION CREDIT. (A) DEFINITIONS. AS USED IN THIS  
4 SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:  
5 (1) QUALIFIED STRUCTURE. "QUALIFIED STRUCTURE" SHALL MEAN (I) A BUILD-  
6 ING, PRINCIPALLY USED BY THE TAXPAYER FOR RESIDENTIAL, INDUSTRIAL,  
7 COMMERCIAL, RECREATIONAL OR ENVIRONMENTAL CONSERVATION PURPOSES, AND  
8 (II) WHICH WAS ORIGINALLY PLACED IN SERVICE AT LEAST TWENTY-FIVE YEARS  
9 PRIOR TO THE TAXABLE YEAR IN WHICH THE CREDIT IS CLAIMED.  
10 (2) ELIGIBLE COSTS. "ELIGIBLE COSTS" SHALL MEAN ALL AMOUNTS PROPERLY  
11 CHARGEABLE TO A CAPITAL ACCOUNT, WHICH ARE INCURRED IN DIRECT CONNECTION  
12 TO ASBESTOS REMEDIATION OF A QUALIFIED ASBESTOS PROJECT.  
13 (3) QUALIFIED ASBESTOS PROJECT. "QUALIFIED ASBESTOS PROJECT" SHALL BE  
14 AN ASBESTOS PROJECT AS DEFINED IN SECTION NINE HUNDRED ONE OF THE LABOR  
15 LAW AND UNDERTAKEN BY THE TAXPAYER, ON A QUALIFIED STRUCTURE, AND  
16 COMPLETED PURSUANT TO THE APPLICABLE REGULATIONS AT PART FIFTY-SIX OF  
17 TITLE TWELVE OF THE OFFICIAL COMPILATION OF RULES AND REGULATIONS OF THE  
18 STATE.  
19 (B) ASBESTOS REMEDIATION CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER  
20 WHO HAS UNDERTAKEN A QUALIFIED ASBESTOS PROJECT ON A QUALIFIED STRUC-  
21 TURE, AND WHO IS SUBJECT TO TAX UNDER ARTICLE NINE, NINE-A OR TWENTY-TWO  
22 OF THIS CHAPTER, SHALL BE ALLOWED A CREDIT AGAINST SUCH TAX, PURSUANT TO  
23 THE PROVISIONS REFERENCED IN SUBDIVISION (C) OF THIS SECTION.

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

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1 (2) AMOUNT OF CREDIT. THE AMOUNT OF THE CREDIT SHALL BE TWENTY PERCENT  
2 OF ALL ELIGIBLE COSTS WHICH ARE INCURRED IN THE TAXABLE YEAR, AS A  
3 RESULT OF ASBESTOS REMEDIATION WITH A COMPLETED QUALIFIED ASBESTOS  
4 PROJECT. THE CREDIT SHALL BE ALLOWED FOR THE TAXABLE YEAR IN WHICH THE  
5 QUALIFIED ASBESTOS PROJECT IS FIRST COMMENCED AND FOR THE NEXT TWO  
6 SUCCEEDING TAXABLE YEARS. THE CREDIT AUTHORIZED PURSUANT TO THIS SECTION  
7 SHALL NOT EXCEED THE TOTAL SUM OF ONE MILLION DOLLARS FOR THE THREE  
8 TAXABLE YEARS ALLOWED AND CLAIMED. THE COSTS, EXPENSES AND OTHER AMOUNTS  
9 FOR WHICH A CREDIT IS ALLOWED AND CLAIMED UNDER THIS SUBDIVISION SHALL  
10 NOT BE USED IN THE CALCULATION OF ANY OTHER CREDIT ALLOWED UNDER THIS  
11 CHAPTER.

12 (C) CROSS-REFERENCES. FOR APPLICATION OF THE CREDIT PROVIDED FOR IN  
13 THIS SECTION, SEE THE FOLLOWING PROVISIONS OF THIS CHAPTER:

14 ARTICLE 9: SECTION 187-T.

15 ARTICLE 9-A: SECTION 210-B, SUBDIVISION 49.

16 ARTICLE 22: SECTION 606, SUBSECTIONS (I) AND (CCC).

17 S 2. The tax law is amended by adding a new section 187-t to read as  
18 follows:

19 S 187-T. ASBESTOS REMEDIATION CREDIT. 1. ALLOWANCE OF CREDIT. A  
20 TAXPAYER SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN  
21 SECTION TWENTY-THREE-A OF THIS CHAPTER, AGAINST THE TAXES IMPOSED BY  
22 THIS ARTICLE. PROVIDED, HOWEVER, THAT THE AMOUNT OF SUCH CREDIT ALLOW-  
23 ABLE AGAINST THE TAX IMPOSED BY SECTION ONE HUNDRED EIGHTY-FOUR OF THIS  
24 ARTICLE SHALL BE THE EXCESS OF THE AMOUNT OF SUCH CREDIT OVER THE AMOUNT  
25 OF ANY CREDIT ALLOWED BY THIS SECTION AGAINST THE TAX IMPOSED BY SECTION  
26 ONE HUNDRED EIGHTY-THREE OF THIS ARTICLE.

27 2. APPLICATION OF CREDIT. THE CREDIT UNDER THIS SECTION FOR ANY TAXA-  
28 BLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE  
29 APPLICABLE MINIMUM TAX PRESCRIBED BY THIS ARTICLE. IF, HOWEVER, THE  
30 AMOUNT OF CREDIT ALLOWABLE UNDER THIS SECTION FOR ANY TAXABLE YEAR  
31 REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT NOT DEDUCTIBLE IN  
32 SUCH TAXABLE YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE  
33 REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND  
34 EIGHTY-SIX OF THIS CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF  
35 SUBSECTION (C) OF SECTION ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER  
36 NOTWITHSTANDING, NO INTEREST SHALL BE PAID THEREON.

37 S 3. Section 210-B of the tax law is amended by adding a new subdivi-  
38 sion 49 to read as follows:

39 49. ASBESTOS REMEDIATION CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER  
40 WHO HAS UNDERTAKEN A QUALIFIED ASBESTOS PROJECT ON AN EXISTING STRUCTURE  
41 SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION TWEN-  
42 TY-THREE-A OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

43 (B) APPLICATION OF CREDIT. THE CREDIT ALLOWED UNDER THIS SUBDIVISION  
44 FOR ANY TAXABLE YEAR SHALL NOT REDUCE THE TAX DUE FOR SUCH YEAR TO LESS  
45 THAN THE HIGHER AMOUNT PRESCRIBED IN PARAGRAPH (D) OF SUBDIVISION ONE OF  
46 THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDITS ALLOWED UNDER THIS  
47 SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY  
48 AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE  
49 TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORD-  
50 ANCE WITH THE PROVISIONS OF SECTION ONE THOUSAND EIGHTY-SIX OF THIS  
51 CHAPTER. PROVIDED, HOWEVER, THE PROVISIONS OF SUBSECTION (C) OF SECTION  
52 ONE THOUSAND EIGHTY-EIGHT OF THIS CHAPTER NOTWITHSTANDING, NO INTEREST  
53 SHALL BE PAID THEREON.

54 S 4. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
55 of the tax law is amended by adding a new clause (xli) to read as  
56 follows:

1 (XLI) ASBESTOS REMEDIATION AMOUNT OF CREDIT UNDER  
2 CREDIT UNDER SUBSECTION (CCC) SUBDIVISION FORTY-NINE OF  
3 SECTION TWO HUNDRED TEN-B

4 S 5. Section 606 of the tax law is amended by adding a new subsection  
5 (ccc) to read as follows:

6 (CCC) ASBESTOS REMEDIATION CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER  
7 WHO HAS UNDERTAKEN A QUALIFIED ASBESTOS PROJECT ON AN EXISTING STRUCTURE  
8 SHALL BE ALLOWED A CREDIT, TO BE COMPUTED AS PROVIDED IN SECTION TWEN-  
9 TY-THREE-A OF THIS CHAPTER, AGAINST THE TAX IMPOSED BY THIS ARTICLE.

10 (2) APPLICATION OF CREDIT. IF THE AMOUNT OF THE CREDIT ALLOWED UNDER  
11 THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR  
12 SUCH YEAR, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE  
13 CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX  
14 HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST  
15 SHALL BE PAID THEREON.

16 S 6. This act shall take effect immediately and shall apply to taxable  
17 years commencing on or after such date.