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

7560

I N S E N A T E

May 10, 2016

Introduced by Sen. RITCHIE -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law and the tax law, in relation to granting eligibility for the economic transformation and facility redevelopment program tax credit to certain state psychiatric centers with decommissioned or surplus land

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

Section 1. Paragraph (e) of subdivision 4 of section 400 of the economic development law, as added by section 1 of part QQ of chapter 60 of the laws of 2016, is amended to read as follows:

(e) provided, however that the requirement in paragraph (a) of this subdivision that the participant be a new business shall not apply to a closed facility as defined in paragraph (d) OR (E) of subdivision eleven of this section.

S 2. Paragraph (d) of subdivision 10 of section 400 of the economic development law, as added by section 2 of part QQ of chapter 60 of the laws of 2016, is amended to read as follows:

(d) Notwithstanding paragraph (b) of this subdivision, with respect to a closed facility described in paragraph (d) OR (E) of subdivision eleven of this section, the economic transformation area shall consist only of the acreage of the closed facility.

S 3. Paragraph (d) of subdivision 11 of section 400 of the economic development law, as added by section 3 of part QQ of chapter 60 of the laws of 2016, is amended and a new paragraph (e) is added to read as follows:

(d) a facility previously owned by the state, and when operated, was operated as a psychiatric facility pursuant to section 7.17 of the mental hygiene law, and located within the metropolitan commuter transportation district but outside New York city[.]; OR

(E) A FACILITY THAT CURRENTLY OPERATES AS A PSYCHIATRIC CENTER PURSUANT TO SECTION 7.17 OF THE MENTAL HYGIENE LAW, WHERE AT LEAST THREE-FIFTHS OF THE TOTAL ACREAGE OF SUCH FACILITY HAS BEEN DESIGNATED

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

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BY THE COMMISSIONER OF MENTAL HEALTH AS DECOMMISSIONED OR SURPLUS, INCLUDING THE BUILDINGS THEREON.

S 4. Subdivision 1 of section 402 of the economic development law, as amended by section 4 of part QQ of chapter 60 of the laws of 2016, is amended to read as follows:

1. A business entity must submit a completed application as prescribed by the commissioner by the later of (a) the date that is three years after the date of the closure of the closed facility located in the economic transformation area in which the business entity would operate or (b) January first, two thousand fifteen. Provided however, in the case of a closed facility described in paragraph (d) OR (E) of subdivision eleven of section four hundred of this article, a business entity must submit a completed application as prescribed by the commissioner by September first, two thousand sixteen.

S 5. Paragraph 1 of subdivision (h) of section 35 of the tax law, as amended by section 5 of part QQ of chapter 60 of the laws of 2016, is amended to read as follows:

(1) A taxpayer which meets the requirements in this section shall be eligible to claim a credit on qualified investments with respect to the project for which the certificate of eligibility is issued. The credit shall be equal to ten percent of the cost or other basis for federal income tax purposes of the qualified investment at a closed facility. Provided however, for purposes of this credit only, a taxpayer that is the owner of a closed facility described in paragraph (d) OR (E) of subdivision eleven of section four hundred of the economic development law, shall be allowed to include in its cost or other basis of the qualified investment at the closed facility, any demolition costs incurred at such closed facility. Those demolition costs shall be limited to the following costs: (i) asbestos removal costs, (ii) rental of demolition equipment, (iii) personnel costs to operate the demolition equipment, (iv) costs to remove and dispose of demolition debris, (v) the costs of any permits, licenses and insurance necessary for the demolition. The total amount of investment tax credit allowed for all eligible participants under this subdivision for qualified investments located at each closed facility shall not exceed eight million dollars. The credit shall be equal to six percent of the cost or other basis for federal income tax purposes for all other qualified investments, but the credit allowed to a taxpayer may not exceed four million dollars.

S 6. This act shall take effect immediately, provided that the amendments to sections 400 and 402 of the economic development law, made by sections one, two, three and four of this act, and section 35 of the tax law, made by section five of this act, shall not affect the expiration and repeal of such sections and shall be deemed repealed therewith.