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

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I N S E N A T E

June 7, 2016

Introduced by Sen. LANZA -- -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the administrative code of the city of New York, in relation to the taxation of unincorporated businesses

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

Section 1. Subdivisions (a) and (b) of section 11-514 of the administrative code of the city of New York, as amended by section 18 of part Q of chapter 60 of the laws of 2016, are amended to read as follows:

(a) General. An unincorporated business income tax return shall be made and filed, and the balance of any tax shown on the face of such return, not previously paid as installments of estimated tax, shall be paid, on or before the fifteenth day of the fourth month following the close of a taxable year [for taxable years beginning before January first, two thousand sixteen, and], EXCEPT THAT IN THE CASE OF AN UNINCORPORATED BUSINESS CLASSIFIED AS A PARTNERSHIP FOR FEDERAL INCOME TAX PURPOSES, SUCH RETURN SHALL BE MADE AND FILED AND SUCH BALANCE SHALL BE PAID on or before the fifteenth day of the third month following the close of a taxable year for taxable years beginning on or after January first, two thousand sixteen, BY OR FOR EVERY:

(1) [by or for every] unincorporated business, for taxable years beginning after nineteen hundred eighty-six but before nineteen hundred ninety-seven, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than ten thousand dollars, or having any amount of unincorporated business taxable income;

(2) [by or for every] partnership, for taxable years beginning after nineteen hundred ninety-six but before two thousand nine, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than twenty-five thousand dollars, or having unincorporated business taxable income of more than fifteen thousand dollars;

(3) [by or for every] unincorporated business other than a partnership, for taxable years beginning after nineteen hundred ninety-six but

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

LBD15559-01-6

before two thousand nine, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than seventy-five thousand dollars, or having unincorporated business taxable income of more than thirty-five thousand dollars; and

(4) [by or for every] unincorporated business, for taxable years beginning after two thousand eight, having unincorporated business gross income, determined for purposes of this subdivision without any deduction for the cost of goods sold or services performed, of more than ninety-five thousand dollars.

(b) Decedents. The return for any deceased individual shall be made and filed by his or her executor, administrator, or other person charged with his or her property. If a final return of a decedent is for a fractional part of a year, the due date of such return shall be[, for taxable years beginning before January first, two thousand sixteen,] the fifteenth day of the fourth month following the close of the twelve-month period that began with the first day of such fractional part of the year[, and, for taxable years beginning on or after January first, two thousand sixteen, the fifteenth day of the third month following the close of the twelve-month period that began with the first day of such fractional part of the year].

S 2. Subdivision (i) of section 11-527 of the administrative code of the city of New York, as amended by section 19 of part Q of chapter 60 of the laws of 2016, is amended to read as follows:

(i) Prepaid tax. For purposes of this section, any tax paid by the taxpayer before the last day prescribed for its payment and any amount paid by the taxpayer as estimated tax for a taxable year shall be deemed to have been paid by the taxpayer[, for taxable years beginning before January first, two thousand sixteen,] on the fifteenth day of the fourth month following the close of his or her taxable year with respect to which such amount constitutes a credit or payment, [and,] EXCEPT THAT for taxable years beginning on or after January first, two thousand sixteen, IN THE CASE OF A TAXPAYER CLASSIFIED AS A PARTNERSHIP FOR FEDERAL INCOME TAX PURPOSES, SUCH AMOUNT SHALL BE DEEMED TO HAVE BEEN PAID on the fifteenth day of the third month following the close of his or her taxable year with respect to which such amount constitutes a credit or payment.

S 3. This act shall take effect immediately.