

1719

2015-2016 Regular Sessions

I N A S S E M B L Y

January 12, 2015

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

AN ACT to amend the administrative code of the city of New York, in relation to establishing a credit for beer produced within the city of New York by a taxpayer that is registered as a distributor under article eighteen of the tax law

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

1 Section 1. Section 11-503 of the administrative code of the city of  
2 New York is amended by adding a new subdivision (p) to read as follows:  
3 (P) BEER PRODUCTION CREDIT. (1) A TAXPAYER SUBJECT TO TAX UNDER THIS  
4 CHAPTER, THAT IS REGISTERED AS A DISTRIBUTOR UNDER ARTICLE EIGHTEEN OF  
5 THE TAX LAW, AND THAT PRODUCES SIXTY MILLION OR FEWER GALLONS OF BEER IN  
6 THIS STATE IN THE TAXABLE YEAR, SHALL BE ALLOWED A CREDIT AGAINST THE  
7 TAX IMPOSED BY THIS CHAPTER IN THE AMOUNT SPECIFIED IN PARAGRAPH TWO OF  
8 THIS SUBDIVISION. PROVIDED, HOWEVER, THAT NO CREDIT SHALL BE ALLOWED FOR  
9 ANY BEER PRODUCED IN EXCESS OF FIFTEEN MILLION FIVE HUNDRED THOUSAND  
10 GALLONS IN THE TAXABLE YEAR. NOTWITHSTANDING ANYTHING TO THE CONTRARY,  
11 IF A PARTNERSHIP IS ALLOWED A CREDIT UNDER THIS SUBDIVISION, A PARTNER  
12 IN SUCH PARTNERSHIP SHALL NOT BE ALLOWED A CREDIT UNDER THIS SUBDIVISION  
13 FOR ANY TAXABLE YEAR THAT INCLUDES THE LAST DAY OF THE TAXABLE YEAR FOR  
14 WHICH THE PARTNERSHIP IS ALLOWED SUCH CREDIT.  
15 (2) THE AMOUNT OF THE CREDIT PER TAXPAYER PER TAXABLE YEAR FOR EACH  
16 GALLON OF BEER PRODUCED IN THE CITY OF NEW YORK ON OR AFTER JANUARY  
17 FIRST, TWO THOUSAND SIXTEEN SHALL BE DETERMINED AS FOLLOWS:  
18 (I) FOR THE FIRST FIVE HUNDRED THOUSAND GALLONS OF BEER PRODUCED IN  
19 THE CITY OF NEW YORK IN THE TAXABLE YEAR, THE CREDIT SHALL EQUAL TWELVE  
20 CENTS PER GALLON; AND  
21 (II) FOR EACH GALLON OF BEER PRODUCED IN THE CITY OF NEW YORK IN THE  
22 TAXABLE YEAR IN EXCESS OF FIVE HUNDRED THOUSAND GALLONS, THE CREDIT  
23 SHALL EQUAL THREE AND EIGHTY-SIX ONE HUNDREDTHS CENTS PER GALLON. THE

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

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1 CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL BE  
2 TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORD-  
3 ANCE WITH THE PROVISIONS OF SECTION 11-526 OF THIS CHAPTER; PROVIDED,  
4 HOWEVER, THAT NOTWITHSTANDING THE PROVISIONS OF SECTION 11-528 OF THIS  
5 CHAPTER, NO INTEREST SHALL BE PAID THEREON.

6 S 2. Section 11-604 of the administrative code of the city of New York  
7 is amended by adding a new subdivision 22 to read as follows:

8 22. BEER PRODUCTION CREDIT. (A) A TAXPAYER SUBJECT TO TAX UNDER THIS  
9 SUBCHAPTER, THAT IS REGISTERED AS A DISTRIBUTOR UNDER ARTICLE EIGHTEEN  
10 OF THE TAX LAW, AND THAT PRODUCES SIXTY MILLION OR FEWER GALLONS OF BEER  
11 IN THIS STATE IN THE TAXABLE YEAR, SHALL BE ALLOWED A CREDIT AGAINST THE  
12 TAX IMPOSED BY THIS SUBCHAPTER IN THE AMOUNT SPECIFIED IN PARAGRAPH (B)  
13 OF THIS SUBDIVISION. PROVIDED, HOWEVER, THAT NO CREDIT SHALL BE ALLOWED  
14 FOR ANY BEER PRODUCED IN EXCESS OF FIFTEEN MILLION FIVE HUNDRED THOUSAND  
15 GALLONS IN THE TAXABLE YEAR. NOTWITHSTANDING ANYTHING TO THE CONTRARY,  
16 IF A PARTNERSHIP IS ALLOWED A CREDIT UNDER SUBDIVISION (P) OF SECTION  
17 11-503 OF THIS TITLE, A TAXPAYER THAT IS A PARTNER IN SUCH PARTNERSHIP  
18 SHALL NOT BE ALLOWED A CREDIT UNDER THIS SUBDIVISION FOR ANY TAXABLE  
19 YEAR THAT INCLUDES THE LAST DAY OF THE TAXABLE YEAR FOR WHICH THE PART-  
20 NERSHIP IS ALLOWED SUCH CREDIT.

21 (B) THE AMOUNT OF THE CREDIT PER TAXPAYER PER TAXABLE YEAR FOR EACH  
22 GALLON OF BEER PRODUCED IN THE CITY OF NEW YORK ON OR AFTER JANUARY  
23 FIRST, TWO THOUSAND SIXTEEN SHALL BE DETERMINED AS FOLLOWS:

24 (1) FOR THE FIRST FIVE HUNDRED THOUSAND GALLONS OF BEER PRODUCED IN  
25 THE CITY OF NEW YORK IN THE TAXABLE YEAR, THE CREDIT SHALL EQUAL TWELVE  
26 CENTS PER GALLON; AND

27 (2) FOR EACH GALLON OF BEER PRODUCED IN THE CITY OF NEW YORK IN THE  
28 TAXABLE YEAR IN EXCESS OF FIVE HUNDRED THOUSAND GALLONS, THE CREDIT  
29 SHALL EQUAL THREE AND EIGHTY-SIX ONE HUNDREDTHS CENTS PER GALLON. IN NO  
30 EVENT SHALL THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE  
31 YEAR REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE AMOUNT PRESCRIBED  
32 IN CLAUSE FOUR OF SUBPARAGRAPH (A) OF PARAGRAPH E OF SUBDIVISION ONE OF  
33 THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDI-  
34 VISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT  
35 OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE TREATED AS  
36 AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE  
37 PROVISIONS OF SECTION 11-677 OF THIS CHAPTER; PROVIDED, HOWEVER, THAT  
38 NOTWITHSTANDING THE PROVISIONS OF SECTION 11-679 OF THIS CHAPTER, NO  
39 INTEREST SHALL BE PAID THEREON.

40 S 3. This act shall take effect immediately, and shall apply to taxa-  
41 ble years beginning on or after January 1, 2016.