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

1719--C

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 -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

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:

Section 1. Section 11-503 of the administrative code of the city of New York is amended by adding a new subdivision (p) to read as follows:

(P) BEER PRODUCTION CREDIT. (1) A TAXPAYER SUBJECT TO TAX UNDER THIS CHAPTER, THAT IS REGISTERED AS A DISTRIBUTOR UNDER ARTICLE EIGHTEEN OF THE TAX LAW, AND THAT PRODUCES SIXTY MILLION OR FEWER GALLONS OF BEER IN THIS STATE IN THE TAXABLE YEAR, SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS CHAPTER IN THE AMOUNT SPECIFIED IN PARAGRAPH TWO OF THIS SUBDIVISION. PROVIDED, HOWEVER, THAT NO CREDIT SHALL BE ALLOWED FOR ANY BEER PRODUCED IN EXCESS OF FIFTEEN MILLION FIVE HUNDRED THOUSAND GALLONS IN THE TAXABLE YEAR. NOTWITHSTANDING ANYTHING IN THIS TITLE TO THE CONTRARY, IF A PARTNERSHIP IS ALLOWED A CREDIT UNDER THIS SUBDIVISION, A TAXPAYER THAT IS A PARTNER IN SUCH PARTNERSHIP SHALL NOT BE ALLOWED A CREDIT UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR THAT INCLUDES THE LAST DAY OF THE TAXABLE YEAR FOR WHICH THE PARTNERSHIP IS ALLOWED SUCH CREDIT.

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

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

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

(II) FOR EACH GALLON OF BEER PRODUCED IN THE CITY OF NEW YORK IN THE TAXABLE YEAR IN EXCESS OF FIVE HUNDRED THOUSAND GALLONS, THE CREDIT SHALL EQUAL THREE AND EIGHTY-SIX ONE HUNDREDTHS CENTS PER GALLON. THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 11-526 OF THIS CHAPTER; PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PROVISIONS OF SECTION 11-528 OF THIS CHAPTER, NO INTEREST SHALL BE PAID THEREON.

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

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

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

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

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

S 3. Section 11-654 of the administrative code of the city of New York is amended by adding a new subdivision 22 to read as follows:

22. BEER PRODUCTION CREDIT. (A) A TAXPAYER SUBJECT TO TAX UNDER THIS SUBCHAPTER, THAT IS REGISTERED AS A DISTRIBUTOR UNDER ARTICLE EIGHTEEN OF THE TAX LAW, AND THAT PRODUCES SIXTY MILLION OR FEWER GALLONS OF BEER IN THIS STATE IN THE TAXABLE YEAR, SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS SUBCHAPTER IN THE AMOUNT SPECIFIED IN PARAGRAPH (B) OF THIS SUBDIVISION. PROVIDED, HOWEVER, THAT NO CREDIT SHALL BE ALLOWED

FOR ANY BEER PRODUCED IN EXCESS OF FIFTEEN MILLION FIVE HUNDRED THOUSAND GALLONS IN THE TAXABLE YEAR. NOTWITHSTANDING ANYTHING IN THIS TITLE TO THE CONTRARY, IF A PARTNERSHIP IS ALLOWED A CREDIT UNDER SUBDIVISION (P) OF SECTION 11-503 OF THIS TITLE, A TAXPAYER THAT IS A PARTNER IN SUCH PARTNERSHIP SHALL NOT BE ALLOWED A CREDIT UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR THAT INCLUDES THE LAST DAY OF THE TAXABLE YEAR FOR WHICH THE PARTNERSHIP IS ALLOWED SUCH CREDIT.

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

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

(2) FOR EACH GALLON OF BEER PRODUCED IN THE CITY OF NEW YORK IN THE TAXABLE YEAR IN EXCESS OF FIVE HUNDRED THOUSAND GALLONS, THE CREDIT SHALL EQUAL THREE AND EIGHTY-SIX ONE HUNDREDTHS CENTS PER GALLON. IN NO EVENT SHALL THE CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE AMOUNT PRESCRIBED IN SUBPARAGRAPH (1) OF PARAGRAPH (E) OF SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 11-677 OF THIS CHAPTER; PROVIDED, HOWEVER, THAT NOTWITHSTANDING THE PROVISIONS OF SECTION 11-679 OF THIS CHAPTER, NO INTEREST SHALL BE PAID THEREON.

S 4. This act shall take effect immediately, and shall apply to taxable years beginning on or after January 1, 2017.