

2903--C

Cal. No. 909

2015-2016 Regular Sessions

I N   S E N A T E

January 30, 2015

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Introduced by Sens. FARLEY, SERINO, AKSHAR, AMEDORE, AVELLA, BONACIC, BOYLE, CARLUCCI, CROCI, DeFRANCISCO, FELDER, FLANAGAN, FUNKE, GALLIVAN, GOLDEN, GRIFFO, KLEIN, LANZA, LARKIN, LAVALLE, LITTLE, MARCELLINO, MARCHIONE, MARTINS, MURPHY, NOZZOLIO, O'MARA, ORTT, RANZENHOFER, RITCHIE, ROBACH, SAVINO, SEWARD, VALESKY, VENDITTO, YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Investigations and Government Operations in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee and committed to the Committee on Finance -- reported favorably from said committee, ordered to first and second report, amended on second report, ordered to a third reading, and to be reprinted as amended, retaining its place in the order of third reading

AN ACT to amend the tax law, in relation to increasing the exemption for pensions and annuities for certain persons

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

1     Section 1. Paragraph 3-a of subsection (c) of section 612 of the tax  
2     law, as amended by section 3 of part I of chapter 59 of the laws of  
3     2015, is amended to read as follows:  
4     (3-a) Pensions and annuities received by an individual who has  
5     attained the age of fifty-nine and one-half, not otherwise excluded  
6     pursuant to paragraph three of this subsection, to the extent includible  
7     in gross income for federal income tax purposes, but not in excess of  
8     [twenty] TWENTY-FIVE THOUSAND DOLLARS FOR ANY TAXABLE YEAR BEGINNING ON  
9     OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN, THIRTY THOUSAND DOLLARS  
10    FOR ANY TAXABLE YEAR BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND  
11    EIGHTEEN, THIRTY-FIVE THOUSAND DOLLARS FOR ANY TAXABLE YEAR BEGINNING ON

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

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1 OR AFTER JANUARY FIRST, TWO THOUSAND NINETEEN, AND FORTY thousand  
2 dollars IN EACH SUBSEQUENT YEAR, which are periodic payments attribut-  
3 able to personal services performed by such individual prior to his  
4 retirement from employment, which arise (i) from an employer-employee  
5 relationship or (ii) from contributions to a retirement plan which are  
6 deductible for federal income tax purposes. However, the term "pensions  
7 and annuities" shall also include distributions received by an individ-  
8 ual who has attained the age of fifty-nine and one-half from an individ-  
9 ual retirement account or an individual retirement annuity, as defined  
10 in section four hundred eight of the internal revenue code, and distrib-  
11 utions received by an individual who has attained the age of fifty-nine  
12 and one-half from self-employed individual and owner-employee retirement  
13 plans which qualify under section four hundred one of the internal  
14 revenue code, whether or not the payments are periodic in nature. Never-  
15 theless, the term "pensions and annuities" shall not include any lump  
16 sum distribution, as defined in subparagraph (D) of paragraph four of  
17 subsection (e) of section four hundred two of the internal revenue code  
18 and taxed under section six hundred three of this article. Where a  
19 husband and wife file a joint state personal income tax return, the  
20 modification provided for in this paragraph shall be computed as if they  
21 were filing separate state personal income tax returns. Where a payment  
22 would otherwise come within the meaning of the term "pensions and annui-  
23 ties" as set forth in this paragraph, except that such individual is  
24 deceased, such payment shall, nevertheless, be treated as a pension or  
25 annuity for purposes of this paragraph if such payment is received by  
26 such individual's beneficiary.

27 S 2. This act shall take effect immediately.