

3254--A

2015-2016 Regular Sessions

I N S E N A T E

February 4, 2015

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- 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

AN ACT to amend the tax law, in relation to establishing a renters' and small homeowners' tax credit

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

1 Section 1. Section 606 of the tax law is amended by adding a new
2 subsection (b-1) to read as follows:
3 (B-1) RENTERS' AND SMALL HOMEOWNERS' CREDIT IN A CITY WITH A POPU-
4 LATION OF ONE MILLION OR MORE.
5 (1) FOR THE PURPOSES OF THIS SUBSECTION:
6 (A) "QUALIFIED TAXPAYER" MEANS A RESIDENT INDIVIDUAL WHO LIVES IN A
7 CITY WITH A POPULATION OF ONE MILLION OR MORE WHO HAS OCCUPIED AND PAID
8 RENT FOR HIS OR HER PRIMARY RESIDENCE IN SUCH CITY FOR SIX MONTHS OR
9 MORE OF THE TAXABLE YEAR, IS REQUIRED OR CHOOSES TO FILE A RETURN UNDER
10 THIS ARTICLE, AND (I) IS SIXTY-FIVE YEARS OF AGE OR OLDER, (II) IS
11 FILING A JOINT RETURN WITH A SPOUSE WHO IS SIXTY-FIVE YEARS OF AGE OR
12 OLDER, (III) IS A HEAD OF HOUSEHOLD, (IV) IS A MARRIED INDIVIDUAL FILING
13 A JOINT RETURN WITH A SPOUSE AND HAS AT LEAST ONE DEPENDENT, (V) IS A
14 MARRIED INDIVIDUAL FILING A SEPARATE RETURN AND HAS AT LEAST ONE DEPEND-
15 ENT, OR (VI) IS A SURVIVING SPOUSE AND HAS AT LEAST ONE DEPENDENT. FOR
16 PURPOSES OF THIS SUBSECTION "QUALIFIED TAXPAYER" SHALL ALSO INCLUDE THE
17 OWNER OF ANY DWELLING WITH SIX UNITS OR LESS IN A CITY WITH A POPULATION
18 OF ONE MILLION OR MORE WHO OCCUPIES SUCH DWELLING AS HIS OR HER PRIMARY
19 RESIDENCE FOR SIX MONTHS OR MORE OF THE TAXABLE YEAR AND WHO IS REQUIRED
20 OR CHOOSES TO FILE A RETURN UNDER THIS ARTICLE. AN INDIVIDUAL CANNOT BE
21 A QUALIFIED TAXPAYER IF HE OR SHE IS AN INDIVIDUAL WITH RESPECT TO WHOM

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

LBD08824-02-6

A DEDUCTION UNDER SUBSECTION (C) OF SECTION 151 OF THE INTERNAL REVENUE CODE IS ALLOWABLE TO ANOTHER TAXPAYER FOR THE TAXABLE YEAR OR PAYS RENT FOR HIS OR HER PRIMARY RESIDENCE TO A FAMILY MEMBER SHARING THE SAME PRIMARY RESIDENCE. A FAMILY MEMBER OF AN INDIVIDUAL IS THE INDIVIDUAL'S SPOUSE, BROTHER, SISTER, PARENT, GRANDPARENT, CHILD, GRANDCHILD, UNCLE, AUNT, NEPHEW, OR NIECE, RELATED TO THE INDIVIDUAL BY BLOOD, MARRIAGE OR ADOPTION.

(B) "RESIDENCE" MEANS A DWELLING IN A CITY WITH A POPULATION OF ONE MILLION OR MORE AND MAY CONSIST OF A PART OF A MULTI-DWELLING OR MULTI-PURPOSE BUILDING INCLUDING A COOPERATIVE OR CONDOMINIUM, ONE, TWO OR THREE FAMILY DWELLINGS AND RENTAL UNITS WITHIN A SINGLE DWELLING WHICH ARE EITHER OWNER-OCCUPIED OR RENTED BY A QUALIFIED TAXPAYER. RESIDENCE INCLUDES A TRAILER OR MOBILE HOME, USED EXCLUSIVELY FOR RESIDENTIAL PURPOSES AND DEFINED AS REAL PROPERTY PURSUANT TO PARAGRAPH (G) OF SUBDIVISION TWELVE OF SECTION ONE HUNDRED TWO OF THE REAL PROPERTY TAX LAW.

(2) (A) A QUALIFIED TAXPAYER SHALL BE ALLOWED A CREDIT AS PROVIDED IN THIS SUBSECTION AGAINST THE TAXES IMPOSED BY THIS ARTICLE REDUCED BY THE CREDITS PERMITTED BY THIS ARTICLE. IF THE CREDIT EXCEEDS THE TAX AS SO REDUCED FOR SUCH YEAR UNDER THIS ARTICLE, THE EXCESS SHALL BE TREATED AS AN OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED, HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON. IF A QUALIFIED TAXPAYER IS NOT REQUIRED TO FILE A RETURN PURSUANT TO SECTION SIX HUNDRED FIFTY-ONE OF THIS ARTICLE BUT OTHERWISE QUALIFIES FOR A CREDIT UNDER THIS SUBSECTION, A CLAIM FOR A CREDIT MAY BE TAKEN ON A RETURN FILED WITH THE COMMISSIONER WITHIN THREE YEARS FROM THE TIME THAT A RETURN WOULD HAVE BEEN REQUIRED TO BE FILED PURSUANT TO SUCH SECTION HAD SUCH QUALIFIED TAXPAYER HAD A TAXABLE YEAR ENDING ON DECEMBER THIRTY-FIRST. RETURNS SHALL BE IN SUCH FORM AS PRESCRIBED BY THE COMMISSIONER. A QUALIFIED TAXPAYER MUST PROVIDE ANY INFORMATION THE COMMISSIONER DEEMS NECESSARY TO DETERMINE THE CREDIT ALLOWED.

(B) IF MORE THAN ONE QUALIFIED TAXPAYER PAYS RENT FOR THE SAME PRIMARY RESIDENCE AND HAS A FEDERAL ADJUSTED GROSS INCOME FOR WHICH A CREDIT WOULD OTHERWISE BE DUE, EACH SUCH QUALIFIED TAXPAYER SHALL DIVIDE THE BASE AMOUNT OF THE CREDIT ALLOWED FOR HIS OR HER INCOME LEVEL BY THE TOTAL NUMBER OF INDIVIDUALS OR MARRIED COUPLES FILING A JOINT RETURN WHO ARE PAYING THE RENT, WHETHER OR NOT ELIGIBLE FOR A CREDIT, TO DETERMINE THE AMOUNT OF CREDIT ALLOWED TO THAT QUALIFIED TAXPAYER. ANY ADDITIONAL AMOUNT OF CREDIT DETERMINED BASED ON THE NUMBER OF EXEMPTIONS CLAIMED BY SUCH TAXPAYER SHALL NOT BE SO DIVIDED.

(C) A QUALIFIED TAXPAYER SHALL BE ALLOWED THE CREDIT UNDER THIS SUBSECTION OR THE CREDIT UNDER SUBSECTION (E) OF THIS SECTION, WHICHEVER IS THE HIGHER AMOUNT.

(3) (A) FOR ANY QUALIFIED TAXPAYER WHO IS SIXTY-FIVE YEARS OF AGE OR OLDER WITH A FILING STATUS OF SINGLE, THE AMOUNT OF THE CREDIT ALLOWED PURSUANT TO THIS PARAGRAPH SHALL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING TABLES:

FOR TAXABLE YEARS BEGINNING IN 2016,
IF FEDERAL ADJUSTED GROSS INCOME IS:

THE CREDIT SHALL BE:

\$25,000 OR LESS	\$110
OVER \$25,000 BUT NOT OVER \$40,000	\$90
OVER \$40,000 BUT NOT OVER \$50,000	\$70

1 FOR TAXABLE YEARS BEGINNING IN OR
2 AFTER 2017, IF FEDERAL ADJUSTED GROSS
3 INCOME IS:
4 \$25,000 OR LESS
5 OVER \$25,000 BUT NOT OVER \$40,000
6 OVER \$40,000 BUT NOT OVER \$50,000

THE CREDIT SHALL BE:

\$220

\$180

\$140

7 (B) FOR ANY OTHER QUALIFIED TAXPAYER, THE AMOUNT OF THE CREDIT ALLOWED
8 PURSUANT TO THIS PARAGRAPH SHALL BE DETERMINED IN ACCORDANCE WITH THE
9 FOLLOWING TABLES; PROVIDED, HOWEVER, THAT A QUALIFIED TAXPAYER WHO IS A
10 MARRIED INDIVIDUAL FILING A SEPARATE NEW YORK INCOME TAX RETURN SHALL
11 RECEIVE ONE-HALF OF THE BASE AMOUNT OF THE CREDIT PLUS ANY ADDITIONAL
12 AMOUNT FOR WHICH SUCH TAXPAYER WOULD BE ELIGIBLE BASED ON THE INCOME AND
13 NUMBER OF EXEMPTIONS CLAIMED BY SUCH TAXPAYER:

14 FOR TAXABLE YEARS BEGINNING IN 2016,
15 IF FEDERAL ADJUSTED GROSS INCOME IS:
16 \$25,000 OR LESS

THE CREDIT SHALL BE:

\$80 PLUS AN AMOUNT

EQUAL TO \$35

MULTIPLIED BY A

NUMBER WHICH IS ONE

LESS THAN THE NUMBER

OF EXEMPTIONS FOR

WHICH THE TAXPAYER

(OR IN THE CASE

OF A MARRIED COUPLE

FILING A JOINT RETURN,

TAXPAYERS) IS ENTITLED

TO A DEDUCTION FOR THE

TAXABLE YEAR FOR FEDERAL

INCOME TAX PURPOSES

UNDER SUBSECTIONS (B)

AND (C) OF SECTION 151

OF THE INTERNAL REVENUE CODE

33 OVER \$25,000 BUT NOT OVER \$45,000

\$65 PLUS AN AMOUNT

EQUAL TO \$24

MULTIPLIED BY A NUMBER

WHICH IS ONE LESS THAN

THE NUMBER OF EXEMPTIONS

FOR WHICH THE TAXPAYER

(OR IN THE CASE OF

A MARRIED COUPLE FILING A

JOINT RETURN, TAXPAYERS)

IS ENTITLED TO A

DEDUCTION FOR THE TAXABLE

YEAR FOR FEDERAL INCOME

TAX PURPOSES UNDER

SUBSECTIONS (B) AND (C)

OF SECTION 151 OF THE

INTERNAL REVENUE CODE

49 OVER \$45,000 BUT NOT OVER \$65,000

\$55 PLUS AN AMOUNT

EQUAL TO \$12 MULTIPLIED

BY A NUMBER WHICH IS ONE

LESS THAN THE NUMBER

OF EXEMPTIONS FOR

1		WHICH THE TAXPAYER (OR
2		IN THE CASE OF A MARRIED
3		COUPLE FILING A JOINT RETURN,
4		TAXPAYERS) IS ENTITLED
5		TO A DEDUCTION FOR THE
6		TAXABLE YEAR FOR FEDERAL
7		INCOME TAX PURPOSES UNDER
8		SUBSECTIONS (B) AND (C)
9		OF SECTION 151 OF THE
10		INTERNAL REVENUE CODE
11	OVER \$65,000 BUT NOT OVER \$100,000	\$45 PLUS AN AMOUNT
12		EQUAL TO \$12 MULTIPLIED
13		BY A NUMBER WHICH IS ONE
14		LESS THAN THE NUMBER
15		OF EXEMPTIONS FOR WHICH
16		THE TAXPAYER (OR IN THE
17		CASE OF A MARRIED COUPLE
18		FILING A JOINT RETURN,
19		TAXPAYERS) IS ENTITLED TO
20		A DEDUCTION FOR THE TAXABLE
21		YEAR FOR FEDERAL INCOME TAX
22		PURPOSES UNDER SUBSECTIONS
23		(B) AND (C) OF SECTION 151
24		OF THE INTERNAL REVENUE CODE
25	FOR TAXABLE YEARS BEGINNING IN OR	
26	AFTER 2017, IF FEDERAL ADJUSTED GROSS	
27	INCOME IS:	THE CREDIT SHALL BE:
28	\$25,000 OR LESS	\$160 PLUS AN
29		AMOUNT EQUAL TO \$70
30		MULTIPLIED BY A NUMBER WHICH
31		IS ONE LESS THAN THE
32		NUMBER OF EXEMPTIONS
33		FOR WHICH THE TAXPAYER
34		(OR IN THE CASE OF A
35		MARRIED COUPLE FILING A
36		JOINT RETURN, TAXPAYERS)
37		IS ENTITLED TO A DEDUCTION
38		FOR THE TAXABLE YEAR FOR
39		FEDERAL INCOME TAX PURPOSES
40		UNDER SUBSECTIONS (B) AND
41		(C) OF SECTION 151 OF THE
42		INTERNAL REVENUE CODE
43	OVER \$25,000 BUT NOT OVER \$45,000	\$130 PLUS AN AMOUNT
44		EQUAL TO \$48
45		MULTIPLIED BY A NUMBER
46		WHICH IS ONE LESS THAN
47		THE NUMBER OF EXEMPTIONS
48		FOR WHICH THE TAXPAYER
49		(OR IN THE CASE OF
50		A MARRIED COUPLE FILING
51		A JOINT RETURN, TAXPAYERS)
52		IS ENTITLED TO A DEDUCTION
53		FOR THE TAXABLE YEAR FOR

1		FEDERAL INCOME TAX PURPOSES
2		UNDER SUBSECTIONS (B)
3		AND (C) OF SECTION 151
4		OF THE INTERNAL REVENUE CODE
5	OVER \$45,000 BUT NOT OVER \$65,000	\$110 PLUS AN AMOUNT
6		EQUAL TO \$24 MULTIPLIED
7		BY A NUMBER WHICH IS ONE
8		LESS THAN THE NUMBER
9		OF EXEMPTIONS FOR
10		WHICH THE TAXPAYER (OR
11		IN THE CASE OF A MARRIED
12		COUPLE FILING A JOINT RETURN,
13		TAXPAYERS) IS ENTITLED TO A
14		DEDUCTION FOR THE TAXABLE
15		YEAR FOR FEDERAL INCOME TAX
16		PURPOSES UNDER SUBSECTIONS
17		(B) AND (C) OF SECTION 151
18		OF THE INTERNAL REVENUE CODE
19	OVER \$65,000 BUT NOT OVER \$100,000	\$90 PLUS AN AMOUNT
20		EQUAL TO \$24 MULTIPLIED
21		BY A NUMBER WHICH IS ONE
22		LESS THAN THE NUMBER
23		OF EXEMPTIONS FOR
24		WHICH THE TAXPAYER (OR
25		IN THE CASE OF A MARRIED
26		COUPLE FILING A JOINT RETURN,
27		TAXPAYERS) IS
28		ENTITLED TO A DEDUCTION
29		FOR THE TAXABLE YEAR FOR
30		FEDERAL INCOME TAX PURPOSES
31		UNDER SUBSECTIONS (B) AND
32		(C) OF SECTION 151 OF THE
33		INTERNAL REVENUE CODE
34	S 2. This act shall take effect immediately.	