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

3431

2015-2016 Regular Sessions

I N S E N A T E

February 9, 2015

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

AN ACT to amend the tax law, in relation to the deduction for stock options

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

Section 1. Paragraph (b) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 22 to read as follows:

(22) IN THE CASE OF PROPERTY TRANSFERRED TO A PERSON IN CONNECTION WITH THE PERFORMANCE OF SERVICES, ANY DEDUCTION RELATING TO STOCK OPTIONS PURSUANT TO THE INTERNAL REVENUE CODE SECTION 83(H) FOR PROPERTY DESCRIBED IN SUBSECTION (A) OF THAT SECTION, IN EXCESS OF THE AMOUNT THE TAXPAYER WAS ALLOWED TO TREAT AS COMPENSATION COST WITH RESPECT TO THAT PROPERTY IN THE YEAR THE STOCK OPTION WAS GRANTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES FOR THE PURPOSE OF ASCERTAINING INCOME, PROFIT, OR LOSS IN A REPORT OR STATEMENT TO SHAREHOLDERS, PARTNERS OR OTHER PROPRIETORS (OR TO BENEFICIARIES).

S 2. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2016.

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

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