

3676

2015-2016 Regular Sessions

I N S E N A T E

February 13, 2015

Introduced by Sen. SAVINO -- 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 providing a tax credit for businesses that purchase flood insurance; and providing for the repeal of such provisions upon expiration thereof

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

1 Section 1. Section 210-B of the tax law is amended by adding a new  
2 subdivision 49 to read as follows:

3 49. TAX CREDIT FOR BUSINESSES WHICH PURCHASE FLOOD INSURANCE. (A) A  
4 QUALIFIED TAXPAYER SHALL BE ALLOWED AN ANNUAL CREDIT FOR THE PURCHASE OF  
5 FLOOD INSURANCE. THE CREDIT SHALL BE EQUAL TO: (I) SEVENTY-FIVE PERCENT  
6 OF THE COST OF FLOOD INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY  
7 FIRST, TWO THOUSAND SIXTEEN; (II) FIFTY PERCENT OF THE COST OF FLOOD  
8 INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND  
9 SEVENTEEN; AND (III) TWENTY-FIVE PERCENT OF THE COST OF FLOOD INSURANCE  
10 FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN AND  
11 BEFORE JANUARY FIRST, TWO THOUSAND EIGHTEEN.

12 (B) IN NO EVENT SHALL THE CREDIT UNDER THIS SUBDIVISION REDUCE THE TAX  
13 PAYABLE TO LESS THAN THE DOLLAR AMOUNT FIXED AS A MINIMUM TAX BY PARA-  
14 GRAPH (D) OF SUBDIVISION ONE OF SECTION TWO HUNDRED TEN OF THIS ARTICLE.  
15 HOWEVER, IF THE AMOUNT OF CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY  
16 TAXABLE YEAR WOULD HAVE REDUCED THE TAX TO SUCH AMOUNT, ANY AMOUNT OF  
17 CREDIT THUS NOT USED IN SUCH TAXABLE YEAR MAY BE TREATED AS AN OVERPAY-  
18 MENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE PROVISIONS  
19 OF SECTION ONE THOUSAND EIGHTY-SIX OF THIS CHAPTER.

20 (C) FOR PURPOSES OF THIS SUBDIVISION, "QUALIFIED TAXPAYER" SHALL  
21 INCLUDE, BUT NOT BE LIMITED TO BUSINESSES OPERATING IN OR OUT OF A RESI-  
22 DENCE WHOSE BUSINESS IS LOCATED WITHIN A HEIGHTENED FLOOD RISK ZONE AND  
23 DOES NOT CURRENTLY HAVE FLOOD INSURANCE.

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

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1 S 2. Section 606 of the tax law is amended by adding a new subsection  
2 (s-1) to read as follows:

3 (S-1) CREDIT FOR ANNUAL BUSINESS PURCHASE OF FLOOD INSURANCE. (1) A  
4 QUALIFIED TAXPAYER SHALL BE ALLOWED AN ANNUAL CREDIT AS HEREINAFTER  
5 PROVIDED AGAINST THE TAX IMPOSED BY THIS ARTICLE FOR THE PURCHASE OF  
6 FLOOD INSURANCE. THE AMOUNT OF THE CREDIT SHALL BE: (I) SEVENTY-FIVE  
7 PERCENT OF THE COST OF FLOOD INSURANCE FOR THE BUSINESS ON OR AFTER  
8 JANUARY FIRST, TWO THOUSAND SIXTEEN; (II) FIFTY PERCENT OF THE COST OF  
9 FLOOD INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND  
10 SEVENTEEN; AND (III) TWENTY-FIVE PERCENT OF THE COST OF FLOOD INSURANCE  
11 FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN AND  
12 BEFORE JANUARY FIRST, TWO THOUSAND EIGHTEEN.

13 (2) FOR PURPOSES OF THIS SUBSECTION, "QUALIFIED TAXPAYER" SHALL  
14 INCLUDE, BUT NOT BE LIMITED TO BUSINESSES OPERATING IN OR OUT OF A RESI-  
15 DENCE WHOSE BUSINESS IS LOCATED WITHIN A HEIGHTENED FLOOD RISK ZONE AND  
16 DOES NOT CURRENTLY HAVE FLOOD INSURANCE.

17 (3) IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION SHALL  
18 EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS MAY BE TREATED AS AN  
19 OVERPAYMENT OF TAX TO BE CREDITED OR REFUNDED IN ACCORDANCE WITH THE  
20 PROVISIONS OF SECTION SIX HUNDRED EIGHTY-SIX OF THIS ARTICLE, PROVIDED,  
21 HOWEVER, THAT NO INTEREST SHALL BE PAID THEREON.

22 S 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
23 of the tax law is amended by adding a new clause (xli) to read as  
24 follows:

25 (XLI) PURCHASE OF FLOOD INSURANCE	AMOUNT OF CREDIT UNDER
26 BY BUSINESSES UNDER SUBSECTION (S-1)	SUBDIVISION FORTY-NINE OF
27	SECTION TWO HUNDRED TEN-B

28 S 4. The commissioner of taxation and finance shall prescribe rules  
29 and regulations necessary to establish the criteria for a heightened  
30 flood risk zone and for the implementation of the tax credit for busi-  
31 nesses which purchase flood insurance provided by this act.

32 S 5. This act shall take effect on the sixtieth day after it shall  
33 have become a law and shall expire December 31, 2018, when upon such  
34 date the provisions of this act shall be deemed repealed.