

3676--A

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 -- recommitted to the Committee on Investigations and Government Operations in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 SEVENTEEN; (II) FIFTY PERCENT OF THE COST OF FLOOD
8 INSURANCE FOR THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGH-
9 TEEN; AND (III) TWENTY-FIVE PERCENT OF THE COST OF FLOOD INSURANCE FOR
10 THE BUSINESS ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHTEEN AND BEFORE
11 JANUARY FIRST, TWO THOUSAND NINETEEN.
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.

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

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

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

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

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

(3) IF THE AMOUNT OF CREDIT ALLOWABLE UNDER THIS SUBSECTION SHALL EXCEED THE TAXPAYER'S TAX FOR SUCH YEAR, THE EXCESS MAY 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.

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

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

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

S 5. This act shall take effect on the sixtieth day after it shall have become a law and shall expire December 31, 2019, when upon such date the provisions of this act shall be deemed repealed.