

LBD13430-03-6

1 (iv) (A) for taxable years beginning before January first, two thou-  
2 sand sixteen, if the business income base is not more than two hundred  
3 ninety thousand dollars the amount shall be six and one-half percent of  
4 the business income base; if the business income base is more than two  
5 hundred ninety thousand dollars but not over three hundred ninety thou-  
6 sand dollars the amount shall be the sum of (1) eighteen thousand eight  
7 hundred fifty dollars, (2) seven and one-tenth percent of the excess of  
8 the business income base over two hundred ninety thousand dollars but  
9 not over three hundred ninety thousand dollars and (3) four and thirty-  
10 five hundredths percent of the excess of the business income base over  
11 three hundred fifty thousand dollars but not over three hundred ninety  
12 thousand dollars;

13 (B) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-  
14 SAND SIXTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND SEVENTEEN, IF THE  
15 BUSINESS INCOME BASE IS NOT MORE THAN FIVE HUNDRED THOUSAND DOLLARS THE  
16 AMOUNT SHALL BE THREE AND ONE-QUARTER PERCENT OF THE BUSINESS INCOME  
17 BASE; IF THE BUSINESS INCOME BASE IS MORE THAN FIVE HUNDRED THOUSAND  
18 DOLLARS BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS THE AMOUNT SHALL BE  
19 THE SUM OF (1) SIXTEEN THOUSAND TWO HUNDRED FIFTY DOLLARS, (2) SIX AND  
20 ONE-HALF PERCENT OF THE EXCESS OF THE BUSINESS INCOME BASE OVER FIVE  
21 HUNDRED THOUSAND DOLLARS BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS AND  
22 (3) THIRTY-TWO AND ONE-HALF PERCENT OF THE EXCESS OF THE BUSINESS INCOME  
23 BASE OVER FIVE HUNDRED FIFTY THOUSAND DOLLARS BUT NOT OVER SIX HUNDRED  
24 THOUSAND DOLLARS;

25 (C) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-  
26 SAND SEVENTEEN AND BEFORE JANUARY FIRST, TWO THOUSAND EIGHTEEN, IF THE  
27 BUSINESS INCOME BASE IS NOT MORE THAN FIVE HUNDRED THOUSAND DOLLARS THE  
28 AMOUNT SHALL BE TWO AND NINE-TENTHS PERCENT OF THE BUSINESS INCOME BASE;  
29 IF THE BUSINESS INCOME BASE IS MORE THAN FIVE HUNDRED THOUSAND DOLLARS  
30 BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS THE AMOUNT SHALL BE THE SUM OF  
31 (1) FOURTEEN THOUSAND FIVE HUNDRED DOLLARS, (2) SIX AND ONE-HALF PERCENT  
32 OF THE EXCESS OF THE BUSINESS INCOME BASE OVER FIVE HUNDRED THOUSAND  
33 DOLLARS BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS AND (3) THIRTY-SIX  
34 PERCENT OF THE EXCESS OF THE BUSINESS INCOME BASE OVER FIVE HUNDRED  
35 FIFTY THOUSAND DOLLARS BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS;

36 (D) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-  
37 SAND EIGHTEEN, IF THE BUSINESS INCOME BASE IS NOT MORE THAN FIVE HUNDRED  
38 THOUSAND DOLLARS THE AMOUNT SHALL BE TWO AND ONE-HALF PERCENT OF THE  
39 BUSINESS INCOME BASE; IF THE BUSINESS INCOME BASE IS MORE THAN FIVE  
40 HUNDRED THOUSAND DOLLARS BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS THE  
41 AMOUNT SHALL BE THE SUM OF (1) TWELVE THOUSAND FIVE DOLLARS, (2) SIX AND  
42 ONE-HALF PERCENT OF THE EXCESS OF THE BUSINESS INCOME BASE OVER FIVE  
43 HUNDRED THOUSAND DOLLARS BUT NOT OVER SIX HUNDRED THOUSAND DOLLARS AND  
44 (3) FORTY PERCENT OF THE EXCESS OF THE BUSINESS INCOME BASE OVER FOUR  
45 HUNDRED FIFTY THOUSAND DOLLARS BUT NOT OVER FIVE HUNDRED THOUSAND  
46 DOLLARS.

47 S 2. Paragraph 39 of subsection (c) of section 612 of the tax law, as  
48 added by section 1 of part Y of chapter 59 of the laws of 2013, is  
49 amended to read as follows:

50 (39) In the case of a taxpayer who is a small business who has busi-  
51 ness income and/or farm income as defined in the laws of the United  
52 States, an amount equal to three percent of the net items of income,  
53 gain, loss and deduction attributable to such business or farm entering  
54 into federal adjusted gross income, but not less than zero, for taxable  
55 years beginning ON OR after JANUARY FIRST, two thousand thirteen[,] BUT  
56 BEFORE JANUARY FIRST, TWO THOUSAND FOURTEEN; an amount equal to three

1 and three-quarters percent of the net items of income, gain, loss and  
2 deduction attributable to such business or farm entering into federal  
3 adjusted gross income, but not less than zero, for taxable years begin-  
4 ning ON OR after JANUARY FIRST, two thousand fourteen[, and] BUT BEFORE  
5 JANUARY FIRST, TWO THOUSAND FIFTEEN; an amount equal to five percent of  
6 the net items of income, gain, loss and deduction attributable to such  
7 business or farm entering into federal adjusted gross income, but not  
8 less than zero, for taxable years beginning ON OR after JANUARY FIRST,  
9 two thousand fifteen BUT BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN; AN  
10 AMOUNT EQUAL TO TEN PERCENT OF THE NET ITEMS OF INCOME, GAIN, LOSS AND  
11 DEDUCTION ATTRIBUTABLE TO SUCH BUSINESS OR FARM ENTERING INTO FEDERAL  
12 ADJUSTED GROSS INCOME, BUT NOT LESS THAN ZERO, FOR TAXABLE YEARS BEGIN-  
13 NING ON OR AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN BUT BEFORE JANUARY  
14 FIRST, TWO THOUSAND SEVENTEEN; AN AMOUNT EQUAL TO FIFTEEN PERCENT OF THE  
15 NET ITEMS OF INCOME, GAIN, LOSS AND DEDUCTION ATTRIBUTABLE TO SUCH BUSI-  
16 NESS OR FARM ENTERING INTO FEDERAL ADJUSTED GROSS INCOME, BUT NOT LESS  
17 THAN ZERO, FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO  
18 THOUSAND SEVENTEEN BUT BEFORE JANUARY FIRST, TWO THOUSAND EIGHTEEN; AND  
19 AN AMOUNT EQUAL TO TWENTY PERCENT OF THE NET ITEMS OF INCOME, GAIN, LOSS  
20 AND DEDUCTION ATTRIBUTABLE TO SUCH BUSINESS OR FARM ENTERING INTO FEDER-  
21 AL ADJUSTED GROSS INCOME, BUT NOT LESS THAN ZERO, FOR TAXABLE YEARS  
22 BEGINNING ON OR AFTER JANUARY FIRST, TWO THOUSAND EIGHTEEN. PROVIDED  
23 THAT SUCH BUSINESS OR FARM INCOME IS LESS THAN OR EQUAL TO FIVE HUNDRED  
24 THOUSAND DOLLARS. For the purposes of this paragraph, the term small  
25 business shall mean a [sole proprietor] BUSINESS or a farm business who  
26 employs one or more persons during the taxable year and who has net  
27 business income or net farm income of EQUAL TO OR less than [two hundred  
28 fifty] FIVE HUNDRED thousand dollars. FOR THE PURPOSES OF THIS PARA-  
29 GRAPH, IF THE TAXPAYER IS A MEMBER, PARTNER, OR SHAREHOLDER OF A LIMITED  
30 LIABILITY COMPANY, PARTNERSHIP OR S-CORPORATION, THE TAXPAYER WILL ONLY  
31 BE ELIGIBLE UNDER THIS PARAGRAPH IF THE NEW YORK SOURCE GROSS INCOME OF  
32 THE LIMITED LIABILITY COMPANY, PARTNERSHIP OR S-CORPORATION DOES NOT  
33 EXCEED ONE MILLION DOLLARS. NEW YORK SOURCE GROSS INCOME IS THE SUM OF  
34 THE MEMBERS, PARTNERS, OR SHAREHOLDERS SHARES OF FEDERAL GROSS INCOME  
35 FROM THE LIMITED LIABILITY COMPANY, PARTNERSHIP, OR S-CORPORATION  
36 DERIVED FROM OR CONNECTED WITH NEW YORK SOURCES, DETERMINED IN ACCORD-  
37 ANCE WITH THE PROVISIONS OF SECTION SIX HUNDRED THIRTY-ONE OF THIS ARTI-  
38 CLE AS IF THOSE PROVISIONS AND ANY RELATED PROVISIONS EXPRESSLY REFERRED  
39 TO A COMPUTATION OF FEDERAL GROSS INCOME FROM NEW YORK SOURCES.

40 S 3. This act shall take effect immediately.

41 PART B

42 Section 1. Sections 24, 28 and 31 of the tax law, section 28 as added  
43 by section 2 of part V of chapter 62 of the laws of 2006 and section 31  
44 as added by section 12 of part Q of chapter 57 of the laws of 2010, are  
45 REPEALED.

46 S 2. Subsections (gg), (jj) and (qq) of section 606 of the tax law,  
47 subsection (jj) as added by section 5 of part V of chapter 62 of the  
48 laws of 2006 and subsection (qq) as added by section 15 of part Q of  
49 chapter 57 of the laws of 2010, are REPEALED.

50 S 3. Subdivisions 20, 23 and 32 of section 210-B of the tax law are  
51 REPEALED.

52 S 4. Subdivisions (b) and (c) of section 1201-a of the tax law are  
53 REPEALED and subdivision (d) is relettered subdivision (b).

54 S 5. This act shall take effect immediately.

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## PART C

2 Section 1. The empire state development corporation shall immediately  
3 cease and discontinue all promotional and advertising campaigns for the  
4 Start-Up NY Program established pursuant to article 21 of the economic  
5 development law. Any remaining funds appropriated for such campaigns  
6 shall be returned to the general fund.

7 S 2. This act shall take effect immediately.

8 S 3. Severability clause. If any clause, sentence, paragraph, subdivi-  
9 sion, section or part of this act shall be adjudged by any court of  
10 competent jurisdiction to be invalid, such judgment shall not affect,  
11 impair, or invalidate the remainder thereof, but shall be confined in  
12 its operation to the clause, sentence, paragraph, subdivision, section  
13 or part thereof directly involved in the controversy in which such judg-  
14 ment shall have been rendered. It is hereby declared to be the intent of  
15 the legislature that this act would have been enacted even if such  
16 invalid provisions had not been included herein.

17 S 4. This act shall take effect immediately, provided, however, that  
18 the applicable effective date of Parts A through C of this act shall be  
19 as specifically set forth in the last section of such Parts.