

STATE OF NEW YORK

1239--A

2017-2018 Regular Sessions

IN ASSEMBLY

January 11, 2017

Introduced by M. of A. CUSICK, SCHIMMINGER, WALTER -- read once and referred to the Committee on Ways and Means -- recommitted to the Committee on Ways and Means in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law and the administrative code of the city of New York, in relation to making technical corrections thereto; to repeal subsection (i) of section 612 of the tax law relating to the elimination of the personal income tax deduction for percentage depletion; and to repeal certain provisions of the tax law relating thereto

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subsection (i) of section 612 of the tax law is REPEALED.
2 § 2. Subdivision (i) of section 11-1712 of the administrative code of
3 the city of New York, as amended by chapter 333 of the laws of 1987, is
4 amended to read as follows:
5 (i) In the case of mines, oil and gas wells and other natural depos-
6 its, any allowance for percentage depletion pursuant to section six
7 hundred thirteen or section six hundred thirteen A of the internal
8 revenue code shall be added to federal adjusted gross income. However,
9 with respect to the property as to which such addition to federal
10 adjusted gross income is required, an allowance for depletion shall be
11 subtracted from federal adjusted gross income in the amount that would
12 be deductible under section six hundred eleven of such code if the
13 deduction for an allowance for depletion were computed without reference
14 to such section six hundred thirteen or section six hundred thirteen A.
15 [~~With respect to the computation of depletion pursuant to this subdivi-~~
16 ~~sion, the basis for such computation shall be the basis for state income~~
17 ~~tax purposes provided for in subsection (i) of section six hundred~~
18 ~~twelve of the tax law.] The portion of any gain from the sale or other~~

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

LBD00461-03-8

1 disposition of such property having a higher adjusted basis for city
2 income tax purposes than for federal income tax purposes, that does not
3 exceed such difference in basis, shall be subtracted from federal
4 adjusted gross income.

5 § 3. Paragraph 10 of subsection (b) of section 612 of the tax law is
6 REPEALED.

7 § 4. Paragraph 13 of subsection (c) of section 612 of the tax law is
8 REPEALED.

9 § 5. Subsection 4 of section 618 of the tax law, as amended by section
10 9 of part C of chapter 25 of the laws of 2009, is amended to read as
11 follows:

12 (4) There shall be added or subtracted (as the case may be) the
13 modifications described in paragraphs (6)[~~7~~], (17), (18), (19),
14 (20), (21), (22), (23), (24), (25), (26), (27), (29), (38) and (39) of
15 subsection (b) and in paragraphs (11)[~~7~~], (15), [~~19~~] (20), (21),
16 (22), (23), (24), (25), (26) and (28) of subsection (c) of section six
17 hundred twelve of this part.

18 § 6. Subsection 4 of section 618 of the tax law, as separately amended
19 by section 5 of part HH-1 of chapter 57 of the laws of 2008 and section
20 9 of part C of chapter 25 of the laws of 2009, is amended to read as
21 follows:

22 (4) There shall be added or subtracted (as the case may be) the
23 modifications described in paragraphs (6)[~~7~~], (17), (18), (19),
24 (20), (21), (22), (23), (24), (25), (26), (27), [~~28~~] (29), (38) and
25 (39) of subsection (b) and in paragraphs (11)[~~7~~], (15), [~~19~~]
26 (20), (21), (22), (23), (24), (25), (26) and (28) of subsection (c) of
27 section six hundred twelve of this part.

28 § 7. This act shall take effect immediately and shall apply to all
29 taxable years beginning on or after January 1, 2018; provided that the
30 amendments to subsection 4 of section 618 of the tax law made by section
31 five of this act shall be subject to the expiration and reversion of
32 such subdivision pursuant to section 8 of chapter 782 of the laws of
33 1988, as amended, when upon such date the provisions of section six of
34 this act shall take effect.