STATE OF NEW YORK

S. 4601 A. 5970

2017-2018 Regular Sessions

SENATE - ASSEMBLY

February 21, 2017

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

IN ASSEMBLY -- Introduced by M. of A. THIELE -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to a capital gains exemption from the sale of stock from a New York corporation to an employee-owned enterprise as defined by subdivision five of section eighteen hundred thirty-six-b of the public authorities law

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

Section 1. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 44 to read as follows:

(44) one hundred percent (100%) of the capital gains from the sale of stock from a New York Corporation to an employee-owned enterprise, as defined by subdivision five of section eighteen hundred thirty-six-b of the public authorities law. In order to qualify for such modification as described in this paragraph, such employee-owned enterprise must have its commercial domicile in New York. If the employee-owned enterprise is an "employee stock ownership plan," it must comply with federal requirements as such plan as defined in 26 U.S.C. § 4975(e) (7).

§ 2. This act shall take effect immediately.

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

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