

STATE OF NEW YORK

5728--A

2017-2018 Regular Sessions

IN SENATE

April 27, 2017

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, the administrative code of the city of New York, chapter 877 of the laws of 1975, chapter 884 of the laws of 1975 and chapter 882 of the laws of 1977, relating to the imposition of certain taxes in the city of New York, in relation to postponing the expiration of certain tax rates and taxes in the city of New York (Part A); and to amend the general municipal law and the municipal home rule law, in relation to establishing limitations upon real property tax levies in cities with a population of one million or more (Part B)

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

1 Section 1. This act enacts into law components of legislation which
2 relate to extending the expiration of certain tax rates and taxes in the
3 city of New York. Each component is wholly contained within a Part identified as Parts A through B. The effective date for each particular
4 provision contained within such Part is set forth in the last section of
5 such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section
6 "of this act", when used in connection with that particular component,
7 shall be deemed to mean and refer to the corresponding section of the
8 Part in which it is found. Section three of this act sets forth the
9 general effective date of this act.
10
11

12 PART A

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

LBD11242-02-7

1 Section 1. Paragraph 3 of subdivision (a) of section 1212-a of the tax
2 law, as amended by chapter 338 of the laws of 2014, is amended to read
3 as follows:

4 (3) a tax, at the same uniform rate, but at a rate not to exceed four
5 and one-half per centum, in multiples of one-half of one per centum, on
6 the receipts from every sale of any or all of the following services in
7 whole or in part: credit rating, credit reporting, credit adjustment and
8 collection services, including, but not limited to, those services
9 provided by mercantile and consumer credit rating or reporting bureaus
10 or agencies and credit adjustment or collection bureaus or agencies,
11 whether rendered in written or oral form or in any other manner, except
12 to the extent otherwise taxable under article twenty-eight of this chap-
13 ter; notwithstanding the foregoing, collection services shall not
14 include those services performed by a law office or a law and collection
15 office, the maintenance or conduct of which constitutes the practice of
16 law, if the services are performed by an attorney at law who has been
17 duly licensed and admitted to practice law in this state. The local law
18 imposing the taxes authorized by this paragraph may provide for exclu-
19 sions and exemptions in addition to those provided for in such para-
20 graph. Provided, however, that the tax hereby authorized shall not be
21 imposed after November thirtieth, two thousand ~~seventeen~~ **twenty**.

22 § 2. Subsection (a) of section 1301 of the tax law, as amended by
23 chapter 338 of the laws of 2014, is amended to read as follows:

24 (a) Notwithstanding any other provision of law to the contrary, any
25 city in this state having a population of one million or more inhabit-
26 ants, acting through its local legislative body, is hereby authorized
27 and empowered to adopt and amend local laws imposing in any such city,
28 for taxable years beginning after nineteen hundred seventy-five:

29 (1) a tax on the personal income of residents of such city, at the
30 rates provided for under subsection (a) of section thirteen hundred four
31 of this article for taxable years beginning before two thousand ~~eigh-~~
32 ~~teen~~ **twenty-one**, and at the rates provided for under subsection (b) of
33 section thirteen hundred four of this article for taxable years begin-
34 ning after two thousand ~~seventeen~~ **twenty**, provided, however, that if,
35 for any taxable year beginning after two thousand ~~seventeen~~ **twenty**,
36 the rates set forth in such subsection (b) are rendered inapplicable and
37 the rates set forth in such subsection (a) are rendered applicable, then
38 the tax for such taxable year shall be at the rates provided under
39 subparagraph (A) of paragraphs one, two and three of such subsection
40 (a),

41 (2) for taxable years beginning after nineteen hundred seventy-six, a
42 separate tax on the ordinary income portion of lump sum distributions of
43 such residents, at the rates provided for herein, such taxes to be
44 administered, collected and distributed by the commissioner as provided
45 for in this article.

46 § 3. Subsection (b) of section 1304 of the tax law, as amended by
47 chapter 338 of the laws of 2014, is amended to read as follows:

48 (b) A tax other than the city separate tax on the ordinary income
49 portion of lump sum distributions imposed pursuant to the authority of
50 section thirteen hundred one of this article shall be determined as
51 follows:

52 (1) Resident married individuals filing joint returns and resident
53 surviving spouses. The tax under this section for each taxable year on
54 the city taxable income of every city resident married individual who
55 makes a single return jointly with his or her spouse under subsection
56 (b) of section thirteen hundred six of this article and on the city

1 taxable income of every city resident surviving spouse shall be deter-
2 mined in accordance with the following table:

3 For taxable years beginning after two thousand [~~seventeen~~] twenty:

4 If the city taxable income is:	The tax is:
5 Not over \$21,600	1.18% of the city taxable income
6 Over \$21,600 but not	\$255 plus 1.435% of excess
7 over \$45,000	over \$21,600
8 Over \$45,000 but not	\$591 plus 1.455% of excess
9 over \$90,000	over \$45,000
10 Over \$90,000	\$1,245 plus 1.48% of excess
11	over \$90,000

12 (2) Resident heads of households. The tax under this section for each
13 taxable year on the city taxable income of every city resident head of a
14 household shall be determined in accordance with the following table:

15 For taxable years beginning after two thousand [~~seventeen~~] twenty:

16 If the city taxable income is:	The tax is:
17 Not over \$14,400	1.18% of the city taxable income
18 Over \$14,400 but not	\$170 plus 1.435% of excess
19 over \$30,000	over \$14,400
20 Over \$30,000 but not	\$394 plus 1.455% of excess
21 over \$60,000	over \$30,000
22 Over \$60,000	\$830 plus 1.48% of excess
23	over \$60,000

24 (3) Resident unmarried individuals, resident married individuals
25 filing separate returns and resident estates and trusts. The tax under
26 this section for each taxable year on the city taxable income of every
27 city resident individual who is not a city resident married individual
28 who makes a single return jointly with his or her spouse under
29 subsection (b) of section thirteen hundred six of this article or a city
30 resident head of household or a city resident surviving spouse, and on
31 the city taxable income of every city resident estate and trust shall be
32 determined in accordance with the following table:

33 For taxable years beginning after two thousand [~~seventeen~~] twenty:

34 If the city taxable income is:	The tax is:
35 Not over \$12,000	1.18% of the city taxable income
36 Over \$12,000 but not	\$142 plus 1.435% of excess
37 over \$25,000	over \$12,000
38 Over \$25,000 but not	\$328 plus 1.455% of excess
39 over \$50,000	over \$25,000
40 Over \$50,000	\$692 plus 1.48% of excess
41	over \$50,000

42 § 4. Subsection (a) of section 1304-B of the tax law, as amended by
43 chapter 338 of the laws of 2014, is amended to read as follows:

44 (a) (1) In addition to any other taxes authorized by this article, any
45 city imposing such taxes is hereby authorized and empowered to adopt and
46 amend local laws imposing in any such city for each taxable year begin-
47 ning after nineteen hundred ninety but before two thousand [~~eighteen~~]
48 twenty-one, an additional tax on the city taxable income of every city

1 resident individual, estate and trust, to be calculated for each taxable
2 year as follows: (i) for each taxable year beginning after nineteen
3 hundred ninety but before nineteen hundred ninety-nine, at the rate of
4 fourteen percent of the sum of the taxes for each such taxable year
5 determined pursuant to section thirteen hundred four and section thir-
6 teen hundred four-A of this article; and (ii) for each taxable year
7 beginning after nineteen hundred ninety-eight, at the rate of fourteen
8 percent of the tax for such taxable year determined pursuant to such
9 section thirteen hundred four.

10 (2) Notwithstanding paragraph one of this subsection, for each taxable
11 year beginning after nineteen hundred ninety-nine but before two thou-
12 sand [eighteen] **twenty-one**, any city imposing such additional tax may by
13 local law impose such tax at a rate that is less than fourteen percent
14 and may impose such tax at more than one rate depending upon the filing
15 status and city taxable income of such city resident individual, estate
16 or trust.

17 (3) A local law enacted pursuant to paragraph two of this subsection
18 shall be applicable with respect to any taxable year only if it has been
19 enacted on or before July thirty-first of such year. A certified copy of
20 such local law shall be mailed by registered mail to the department at
21 its office in Albany within fifteen days of its enactment. However, the
22 department may allow additional time for such certified copy to be
23 mailed if it deems such action to be consistent with its duties under
24 this article.

25 § 5. Paragraph E of subdivision 1 of section 11-604 of the administra-
26 tive code of the city of New York, as amended by chapter 338 of the laws
27 of 2014, is amended to read as follows:

28 E. For taxable years beginning on or after January first, nineteen
29 hundred seventy-eight but before January first, two thousand [eighteen]
30 **twenty-one**, the tax imposed by subdivision one of section 11-603 of this
31 subchapter shall be, in the case of each taxpayer:

32 (a) whichever of the following amounts is the greatest:

33 (1) an amount computed, for taxable years beginning before nineteen
34 hundred eighty-seven, at the rate of nine per centum, and for taxable
35 years beginning after nineteen hundred eighty-six, at the rate of eight
36 and eighty-five one-hundredths per centum, of its entire net income or
37 the portion of such entire net income allocated within the city as here-
38 inafter provided, subject to any modification required by paragraphs (d)
39 and (e) of subdivision three of this section,

40 (2) an amount computed at one and one-half mills for each dollar of
41 its total business and investment capital, or the portion thereof allo-
42 cated within the city, as hereinafter provided, except that in the case
43 of a cooperative housing corporation as defined in the internal revenue
44 code, the applicable rate shall be four-tenths of one mill,

45 (3) an amount computed, for taxable years beginning before nineteen
46 hundred eighty-seven, at the rate of nine per centum, and for taxable
47 years beginning after nineteen hundred eighty-six, at the rate of eight
48 and eighty-five one-hundredths per centum, on thirty per centum of the
49 taxpayer's entire net income plus salaries and other compensation paid
50 to the taxpayer's elected or appointed officers and to every stockholder
51 owning in excess of five per centum of its issued capital stock minus
52 fifteen thousand dollars (subject to proration as hereinafter provided)
53 and any net loss for the reported year, or on the portion of any such
54 sum allocated within the city as hereinafter provided for the allocation
55 of entire net income, subject to any modification required by paragraphs
56 (d) and (e) of subdivision three of this section, provided, however,

that for taxable years beginning on or after July first, nineteen hundred ninety-six, the provisions of paragraph H of this subdivision shall apply for purposes of the computation under this clause, or

(4) for taxable years ending on or before June thirtieth, nineteen hundred eighty-nine, one hundred twenty-five dollars, for taxable years ending after June thirtieth, nineteen hundred eighty-nine and beginning before two thousand nine, three hundred dollars, and for taxable years beginning after two thousand eight:

If New York city receipts are:	Fixed dollar minimum tax is:
Not more than \$100,000	\$25
More than \$100,000 but not over \$250,000	\$75
More than \$250,000 but not over \$500,000	\$175
More than \$500,000 but not over \$1,000,000	\$500
More than \$1,000,000 but not over \$5,000,000	\$1,500
More than \$5,000,000 but not over \$25,000,000	\$3,500
Over \$25,000,000	\$5,000

For purposes of this clause, New York city receipts are the receipts computed in accordance with subparagraph two of paragraph (a) of subdivision three of this section for the taxable year. For taxable years beginning after two thousand eight, if the taxable year is less than twelve months, the amount prescribed by this clause shall be reduced by twenty-five percent if the period for which the taxpayer is subject to tax is more than six months but not more than nine months and by fifty percent if the period for which the taxpayer is subject to tax is not more than six months. If the taxable year is less than twelve months, the amount of New York city receipts for purposes of this clause is determined by dividing the amount of the receipts for the taxable year by the number of months in the taxable year and multiplying the result by twelve, plus;

(b) an amount computed at the rate of three-quarters of a mill for each dollar of the portion of its subsidiary capital allocated within the city as hereinafter provided.

In the case of a taxpayer which is not subject to tax for an entire year, the exemption allowed in clause three of subparagraph (a) of this paragraph shall be prorated according to the period such taxpayer was subject to tax. Provided, however, that this paragraph shall not apply to taxable years beginning after December thirty-first, two thousand ~~seventeen~~ twenty. For the taxable years specified in the preceding sentence, the tax imposed by subdivision one of section 11-603 of this subchapter shall be, in the case of each taxpayer, determined as specified in paragraph A of this subdivision, provided, however, that the provisions of paragraphs G and H of this subdivision shall apply for purposes of the computation under clause three of subparagraph (a) of such paragraph A.

§ 6. The opening paragraph of section 11-1701 of the administrative code of the city of New York, as amended by chapter 338 of the laws of 2014, is amended to read as follows:

A tax is hereby imposed on the city taxable income of every city resident individual, estate and trust determined in accordance with the rates set forth in subdivision (a) of this section for taxable years beginning before two thousand ~~eighteen~~ twenty-one, and in accordance with the rates set forth in subdivision (b) of this section for taxable years beginning after two thousand ~~seventeen~~ twenty. Provided, however, that if, for any taxable year beginning after two thousand ~~seventeen~~ twenty, the rates set forth in such subdivision (b) are rendered inapplicable and the rates set forth in such subdivision (a) are

rendered applicable, then the tax for such taxable year shall be at the rates provided under subparagraph (A) of paragraphs one, two and three of such subdivision (a).

§ 7. Subdivision (b) of section 11-1701 of the administrative code of the city of New York, as amended by chapter 338 of the laws of 2014, is amended to read as follows:

(b) Rate of tax. A tax imposed pursuant to this section shall be determined as follows:

(1) Resident married individuals filing joint returns and resident surviving spouses. The tax under this section for each taxable year on the city taxable income of every city resident married individual who makes a single return jointly with his or her spouse under subdivision (b) of section 11-1751 of this title and on the city taxable income of every city resident surviving spouse shall be determined in accordance with the following table:

For taxable years beginning after two thousand [~~seventeen~~] twenty:

If the city taxable income is:	The tax is:
Not over \$21,600	1.18% of the city taxable income
Over \$21,600 but not over \$45,000	\$255 plus 1.435% of excess over \$21,600
Over \$45,000 but not over \$90,000	\$591 plus 1.455% of excess over \$45,000
Over \$90,000	\$1,245 plus 1.48% of excess over \$90,000

(2) Resident heads of households. The tax under this section for each taxable year on the city taxable income of every city resident head of a household shall be determined in accordance with the following table:

For taxable years beginning after two thousand [~~seventeen~~] twenty:

If the city taxable income is:	The tax is:
Not over \$14,400	1.18% of the city taxable income
Over \$14,400 but not over \$30,000	\$170 plus 1.435% of excess over \$14,400
Over \$30,000 but not over \$60,000	\$394 plus 1.455% of excess over \$30,000
Over \$60,000	\$830 plus 1.48% of excess over \$60,000

(3) Resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts. The tax under this section for each taxable year on the city taxable income of every city resident individual who is not a married individual who makes a single return jointly with his or her spouse under subdivision (b) of section 11-1751 of this title or a city resident head of a household or a city resident surviving spouse, and on the city taxable income of every city resident estate and trust shall be determined in accordance with the following table:

For taxable years beginning after two thousand [~~seventeen~~] twenty:

If the city taxable income is:	The tax is:
Not over \$12,000	1.18% of the city taxable income
Over \$12,000 but not over \$25,000	\$142 plus 1.435% of excess over \$12,000
Over \$25,000 but not	\$328 plus 1.455% of excess

1	over \$50,000	over \$25,000
2	Over \$50,000	\$692 plus 1.48% of excess
3		over \$50,000

4 § 8. Paragraph 1 of subdivision (a) of section 11-1704.1 of the admin-
5 istrative code of the city of New York, as amended by chapter 338 of the
6 laws of 2014, is amended to read as follows:

7 (1) In addition to any other taxes imposed by this chapter, there is
8 hereby imposed for each taxable year beginning after nineteen hundred
9 ninety but before two thousand [~~eighteen~~] twenty-one, an additional tax
10 on the city taxable income of every city resident individual, estate and
11 trust, to be calculated for each taxable year as follows: (i) for each
12 taxable year beginning after nineteen hundred ninety but before nineteen
13 hundred ninety-nine, at the rate of fourteen percent of the sum of the
14 taxes for each such taxable year determined pursuant to section 11-1701
15 and section 11-1704 of this subchapter; and (ii) for each taxable year
16 beginning after nineteen hundred ninety-eight, at the rate of fourteen
17 percent of the tax for such taxable year determined pursuant to such
18 section 11-1701.

19 § 9. Subdivision (a) of section 11-2002 of the administrative code of
20 the city of New York, as amended by chapter 338 of the laws of 2014, is
21 amended to read as follows:

22 (a) There are hereby imposed and there shall be paid sales taxes at
23 the rate of four and one-half percent on receipts from every sale of the
24 services of beauty, barbering, hair restoring, manicuring, pedicuring,
25 electrolysis, massage services and similar services, and every sale of
26 services by weight control salons, health salons, gymnasiums, turkish
27 and sauna bath and similar establishments and every charge for the use
28 of such facilities, whether or not any tangible personal property is
29 transferred in conjunction therewith; but excluding services rendered by
30 a physician, osteopath, dentist, nurse, physiotherapist, chiropractor,
31 podiatrist, optometrist, ophthalmic dispenser or a person performing
32 similar services licensed under title eight of the education law, as
33 amended, and excluding such services when performed on pets and other
34 animals, as authorized by subdivision (a) of section twelve hundred
35 twelve-A of the tax law. Provided, however, that the tax hereby imposed
36 shall not be imposed after November thirtieth, two thousand [~~seventeen~~]
37 twenty.

38 § 10. The opening paragraph of subdivision (a) of section 11-2040 of
39 the administrative code of the city of New York, as amended by chapter
40 338 of the laws of 2014, is amended to read as follows:

41 There is hereby imposed within the city and there shall be paid a tax
42 at the rate of four and one-half percent upon the receipts from every
43 sale, except for resale, of the following services, provided, however,
44 that the tax hereby imposed shall not be imposed after November thirti-
45 eth, two thousand [~~seventeen~~] twenty, on receipts from sales of the
46 services specified in paragraph one of this subdivision:

47 § 11. Section 4 of chapter 877 of the laws of 1975, relating to the
48 imposition of certain taxes in the city of New York, as amended by chap-
49 ter 338 of the laws of 2014, is amended to read as follows:

50 § 4. This act shall expire on December 31, [~~2017~~] 2020, provided,
51 however, that it is hereby declared to be the express intention of the
52 legislature that the provisions of sections two and three of this act,
53 except with respect to the enforcement and collection of any tax arising
54 thereunder, shall remain in full force and effect only until the date of
55 such expiration, at which time the provisions of law amended by this act

1 shall be continued in full force and effect as they existed prior to the
2 enactment of this act.

3 § 12. Section 6 of chapter 884 of the laws of 1975, relating to the
4 imposition of certain taxes in the city of New York, as amended by chap-
5 ter 338 of the laws of 2014, is amended to read as follows:

6 § 6. This act shall expire on December 31, ~~2017~~ 2020, provided,
7 however, that it is hereby declared to be the express intention of the
8 legislature that the provisions of sections two, three and four of this
9 act, except with respect to the enforcement and collection of any tax
10 arising thereunder, shall remain in full force and effect only until the
11 date of such expiration, at which time the provisions of law amended by
12 this act shall be continued in full force and effect as they existed
13 prior to the enactment of this act.

14 § 13. Section 2 of chapter 882 of the laws of 1977, relating to the
15 imposition of certain taxes in the city of New York, as amended by chap-
16 ter 338 of the laws of 2014, is amended to read as follows:

17 § 2. This act shall expire on December 31, ~~2017~~ 2020, provided,
18 however, that it is hereby declared to be the express intention of the
19 legislature that the provisions of section one of this act, except with
20 respect to the enforcement and collection of any tax arising thereunder,
21 shall remain in full force and effect only until the date of such expi-
22 ration, at which time the provisions of law amended by this act shall be
23 continued in full force and effect as they existed prior to the enact-
24 ment of this act.

25 § 14. This act shall take effect immediately.

26 PART B

27 Section 1. The general municipal law is amended by adding a new
28 section 3-e to read as follows:

29 § 3-e. Limitation upon real property tax levies by cities having a
30 population of one million or more. 1. Unless otherwise provided by law,
31 the amount of real property taxes that may be levied by or on behalf of
32 any city having a population of one million or more shall not exceed the
33 tax levy limitation established pursuant to this section.

34 2. When used in this section:

35 (a) "Allowable levy growth factor" shall be the lesser of: (i) one and
36 two one-hundredths; or (ii) the sum of one plus the inflation factor;
37 provided, however, that in no case shall the levy growth factor be less
38 than one.

39 (b) "Approved capital expenditures" means the expenditures associated
40 with capital projects that have been approved by the qualified voters of
41 the local government.

42 (c) "Available carryover" means the sum of the amount by which the tax
43 levy for the prior fiscal year was below the tax levy limit for such
44 fiscal year, if any, but no more than one and one-half percent of the
45 tax levy limit for such fiscal year.

46 (d) "Capital tax levy" means the tax levy necessary to support capital
47 expenditures, if any.

48 (e) "Coming fiscal year" means the fiscal year of the local government
49 for which a tax levy limitation shall be determined pursuant to this
50 section.

51 (f) "Inflation factor" means the quotient of: (i) the average of the
52 national consumer price indexes determined by the United States depart-
53 ment of labor for the twelve-month period ending six months prior to the
54 start of the coming fiscal year minus the average of the national

1 consumer price indexes determined by the United States department of
2 labor for the twelve-month period ending six months prior to the start
3 of the prior fiscal year, divided by: (ii) the average of the national
4 consumer price indexes determined by the United States department of
5 labor for the twelve-month period ending six months prior to the start
6 of the prior fiscal year, with the result expressed as a decimal to four
7 places.

8 (g) "Local government" means a city having a population of one million
9 or more.

10 (h) "Prior fiscal year" means the fiscal year of the local government
11 immediately preceding the coming fiscal year.

12 (i) "Tax levy limitation" means the amount of taxes a local government
13 is authorized to levy pursuant to this section, provided, however, that
14 the tax levy limit shall not include the local government's approved
15 capital tax levy, if any.

16 3. (a) Beginning with the fiscal year that begins in two thousand
17 eighteen, no local government shall adopt a budget that requires a tax
18 levy that is greater than the tax levy limitation for the coming fiscal
19 year.

20 (b) The state comptroller shall calculate the tax levy limitation for
21 each local government by the one hundred twentieth day preceding the
22 commencement of each local government's fiscal year, and shall notify
23 each local government of the tax levy limitation so determined.

24 (c) The tax levy limitation applicable to the coming fiscal year shall
25 be determined as follows:

26 (i) Ascertain the total amount of taxes levied for the prior fiscal
27 year.

28 (ii) Add any payments in lieu of taxes that were receivable in the
29 prior fiscal year.

30 (iii) Subtract the approved capital tax levy for the prior fiscal
31 year, if any.

32 (iv) Subtract the levy attributable to a large legal settlement of a
33 tort action excluded from the levy limitation in the prior fiscal year,
34 if any.

35 (v) Multiply the result by the allowable levy growth factor.

36 (vi) Subtract any payments in lieu of taxes receivable in the coming
37 fiscal year.

38 (vii) Add the available carryover, if any.

39 (d) In the event the city council of a local government has approved a
40 legal settlement of a tort action against the government, the annual
41 costs of which exceed ten percent of the property taxes levied by the
42 local government in the prior fiscal year, the state comptroller, upon
43 application by the local government, may adjust the tax levy limitation
44 for the coming fiscal year applicable to such local government, by
45 adding the annual costs of such settlement to the tax levy limitation.

46 (e) The state comptroller shall determine the portion of the tax levy
47 of each local government that is attributable to any increase or
48 decrease over the prior year in the cost of the local government share
49 of direct cash assistance to persons eligible for the federal-state-lo-
50 cal temporary assistance to needy families program or the state-local
51 safety net assistance program and shall adjust the tax levy limitation
52 for such local government to reflect such change.

53 4. A local government may adopt a budget that requires a tax levy that
54 is greater than the tax levy limitation for the coming fiscal year only
55 if the city council of such local government first enacts, by a two-

1 thirds vote of the total voting power of such city council, a local law
2 to override such limitation for such coming fiscal year only.

3 5. In the event a local government's actual tax levy for a given
4 fiscal year exceeds the maximum allowable levy as established pursuant
5 to this section due to clerical or technical errors, the local govern-
6 ment shall place the excess amount of the levy in reserve in accordance
7 with such requirements as the state comptroller may prescribe, and shall
8 use such funds and any interest thereon to offset the tax levy
9 for the ensuing fiscal year.

10 § 2. Paragraphs j and k of subdivision 2 of section 23 of the munici-
11 pal home rule law are relettered paragraphs k and l, and a new paragraph
12 j is added to read as follows:

13 j. Overrides the tax levy limitation applicable for the coming fiscal
14 year in accordance with section three-e of the general municipal law.

15 § 3. This act shall take effect immediately and shall first apply to
16 the levy of taxes by local governments for the fiscal year that begins
17 in 2018.

18 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-
19 sion, section or part of this act shall be adjudged by any court of
20 competent jurisdiction to be invalid, such judgment shall not affect,
21 impair, or invalidate the remainder thereof, but shall be confined in
22 its operation to the clause, sentence, paragraph, subdivision, section
23 or part thereof directly involved in the controversy in which such judg-
24 ment shall have been rendered. It is hereby declared to be the intent of
25 the legislature that this act would have been enacted even if such
26 invalid provisions had not been included herein.

27 § 3. This act shall take effect immediately, provided, however, that
28 the applicable effective date of Parts A through B of this act shall be
29 as specifically set forth in the last section of such Parts.