STATE OF NEW YORK

9052

IN SENATE

June 15, 2018

Introduced by Sen. FLANAGAN -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the tax law, in relation to decoupling from federal transition tax for partnerships

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

Section 1. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 43 to read as follows:

(43) For taxable years beginning on or after after January first, two thousand seventeen, distributions from earnings and profits excluded from the gross income of a United States shareholder under section nine hundred fifty-nine of the internal revenue code and which were previously subject to federal income tax under subsection (a) of section nine hundred sixty-five of the internal revenue code, to the extent that the gross income from such distributions were subtracted from federal adjusted gross income under paragraph forty-four of subsection (c) of this section.

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

(44) For taxable years beginning on or after January first, two thousand seventeen, any amount included in federal adjusted gross income under subsection (a) of section nine hundred sixty-five of the internal revenue code, after any deductions allowed under subsection (c) of section nine hundred sixty-five of the internal revenue code.

§ 3. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2017.

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

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