STATE OF NEW YORK

4886

2019-2020 Regular Sessions

IN ASSEMBLY

February 5, 2019

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

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:

Section 1. Subsection (i) of section 612 of the tax law is REPEALED.

§ 2. Subdivision (i) of section 11-1712 of the administrative code of the city of New York, as amended by chapter 333 of the laws of 1987, is amended to read as follows:

(i) In the case of mines, oil and gas wells and other natural deposits, any allowance for percentage depletion pursuant to section six hundred thirteen or section six hundred thirteen A of the internal revenue code shall be added to federal adjusted gross income. However, with respect to the property as to which such addition to federal adjusted gross income is required, an allowance for depletion shall be subtracted from federal adjusted gross income in the amount that would be deductible under section six hundred eleven of such code if the deduction for an allowance for depletion were computed without reference to such section six hundred thirteen or section six hundred thirteen A. [~~With respect to the computation of depletion pursuant to this subdivision, the basis for such computation shall be the basis for state income tax purposes provided for in subsection (i) of section six hundred twelve of the tax law.~~] The portion of any gain from the sale or other disposition of such property having a higher adjusted basis for city income tax purposes than for federal income tax purposes, that does not

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

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exceed such difference in basis, shall be subtracted from federal adjusted gross income.

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 Paragraph 10 of subsection (b) of section 612 of the tax law is REPEALED.

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 Paragraph 13 of subsection (c) of section 612 of the tax law is REPEALED.

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

(4) There shall be added or subtracted (as the case may be) the modifications described in paragraphs (6)[~~, (10)~~], (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), (27), (29), (38) and (39) of subsection (b) and in paragraphs (11)[~~, (13)~~], (15), [~~(19),~~] (20), (21), (22), (23), (24), (25), (26) and (28) of subsection (c) of section six hundred twelve of this part.

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

(4) There shall be added or subtracted (as the case may be) the modifications described in paragraphs (6)[~~, (10)~~], (17), (18), (19), (20), (21), (22), (23), (24), (25), (26), (27), [~~(28),~~] (29), (38) and (39) of subsection (b) and in paragraphs (11)[~~, (13)~~], (15), [~~(19),~~] (20), (21), (22), (23), (24), (25), (26) and (28) of subsection (c) of section six hundred twelve of this part.

§ 7. This act shall take effect immediately and shall apply to all taxable years beginning on or after January 1, 2019; provided that the amendments to subsection 4 of section 618 of the tax law made by section five of this act shall be subject to the expiration and reversion of such subsection pursuant to section 8 of chapter 782 of the laws of 1988, as amended, when upon such date the provisions of section six of this act shall take effect.