

STATE OF NEW YORK

6545

2019-2020 Regular Sessions

IN ASSEMBLY

March 11, 2019

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

AN ACT to amend the tax law, in relation to the business income base for water-works corporations

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

1 Section 1. The opening paragraph of paragraph (a) of subdivision 1 of
2 section 210 of the tax law, as amended by section 10 of part T of chap-
3 ter 59 of the laws of 2015, is amended to read as follows:

4 For taxable years beginning before January first, two thousand
5 sixteen, the amount prescribed by this paragraph shall be computed at
6 the rate of seven and one-tenth percent of the taxpayer's business
7 income base. For taxable years beginning on or after January first, two
8 thousand sixteen, the amount prescribed by this paragraph shall be six
9 and one-half percent of the taxpayer's business income base. The taxpay-
10 er's business income base shall mean the portion of the taxpayer's busi-
11 ness income apportioned within the state as hereinafter provided. Howev-
12 er, in the case of a small business taxpayer, as defined in paragraph
13 (f) of this subdivision, the amount prescribed by this paragraph shall
14 be computed pursuant to subparagraph (iv) of this paragraph and in the
15 case of a manufacturer, as defined in subparagraph (vi) of this para-
16 graph, the amount prescribed by this paragraph shall be computed pursu-
17 ant to subparagraph (vi) of this paragraph, and, in the case of a quali-
18 fied emerging technology company, as defined in subparagraph (vii) of
19 this paragraph, the amount prescribed by this paragraph shall be
20 computed pursuant to subparagraph (vii) of this paragraph, and in the
21 case of a water-works corporation, as defined in subparagraph (x) of
22 this paragraph, the amount prescribed by this paragraph shall be
23 computed pursuant to subparagraph (x) of this paragraph.

24 § 2. Paragraph (a) of subdivision 1 of section 210 of the tax law is
25 amended by adding a new subparagraph (x) to read as follows:

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

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1 (x) for taxable years beginning on or after January first, two thou-
2 sand twenty, the amount prescribed by this paragraph for a taxpayer
3 which is a water-works corporation, shall be computed at the rate of
4 zero percent of the taxpayer's business income base. The term "water-
5 works corporation" shall have the same meaning as in subdivision twen-
6 ty-seven of section two of the public service law. Any tax savings
7 attributable to this subparagraph shall be used to reduce current water
8 rates and offset future water rate increases.

9 § 3. This act shall take effect immediately.