

# STATE OF NEW YORK

8492

2019-2020 Regular Sessions

## IN ASSEMBLY

August 7, 2019

Introduced by M. of A. BYRNES -- read once and referred to the Committee on Economic Development

AN ACT to amend the economic development law, the tax law and chapter 61 of the laws of 2011, amending the economic development law, the tax law and the real property tax law relating to establishing the economic transformation and facility redevelopment program and providing tax benefits under that program, in relation to the economic transformation and facility redevelopment program and the effectiveness thereof

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

Section 1. Subdivision 11 of section 400 of the economic development law, as amended by section 3 of part QQ of chapter 60 of the laws of 2016, is amended to read as follows:

11. "Closed facility" means:

(a) a correctional facility, as defined in paragraph (a) of subdivision four of section two of the correction law, that has been selected by the governor of the state of New York for closure after April first, two thousand eleven but no later than March thirty-first, two thousand twelve; or

(b) a correctional facility, as defined in paragraph (a) of subdivision four of section two of the correction law, that has been selected by the governor of the state of New York for closure after April first, two thousand nineteen but no later than March thirty-first, two thousand twenty; or

(c) a facility operated by the office of children and family services under article nineteen-G of the executive law that is closed pursuant to authority granted to such office in a chapter of the laws of two thousand eleven; or

~~(e)~~ (d) which has been closed provided that the commissioner of correctional services or the commissioner of the office of children and family services has notified the commissioner of such closure; or

~~(d)~~ (e) a facility previously owned by the state, and when operated, was operated as a psychiatric facility pursuant to section 7.17 of the

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

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1 mental hygiene law, and located within the metropolitan commuter trans-  
2 portation district but outside New York city.

3 § 2. Subdivision 1 of section 402 of the economic development law, as  
4 amended by section 4 of part QQ of chapter 60 of the laws of 2016, is  
5 amended to read as follows:

6 1. A business entity must submit a completed application as prescribed  
7 by the commissioner by the later of (a) the date that is three years  
8 after the date of the closure of the closed facility located in the  
9 economic transformation area in which the business entity would operate  
10 or (b) January first, two thousand fifteen. Provided however, in the  
11 case of a closed facility described in paragraph [~~(d)~~] (e) of subdivi-  
12 sion eleven of section four hundred of this article, a business entity  
13 must submit a completed application as prescribed by the commissioner by  
14 September first, two thousand sixteen. Notwithstanding the foregoing, in  
15 the case of a closed facility, as described pursuant to paragraph (b) of  
16 subdivision eleven of section four hundred of this article, a business  
17 entity shall submit a completed application as prescribed by the commis-  
18 sioner by September first, two thousand twenty.

19 § 3. Paragraph 1 of subdivision (h) of section 35 of the tax law, as  
20 amended by section 5 of part QQ of chapter 60 of the laws of 2016, is  
21 amended to read as follows:

22 (1) A taxpayer which meets the requirements in this section shall be  
23 eligible to claim a credit on qualified investments with respect to the  
24 project for which the certificate of eligibility is issued. The credit  
25 shall be equal to ten percent of the cost or other basis for federal  
26 income tax purposes of the qualified investment at a closed facility.  
27 Provided however, for purposes of this credit only, a taxpayer that is  
28 the owner of a closed facility described in paragraph [~~(d)~~] (e) of  
29 subdivision eleven of section four hundred of the economic development  
30 law, shall be allowed to include in its cost or other basis of the qual-  
31 ified investment at the closed facility, any demolition costs incurred  
32 at such closed facility. Those demolition costs shall be limited to the  
33 following costs: (i) asbestos removal costs, (ii) rental of demolition  
34 equipment, (iii) personnel costs to operate the demolition equipment,  
35 (iv) costs to remove and dispose of demolition debris, (v) the costs of  
36 any permits, licenses and insurance necessary for the demolition. The  
37 total amount of investment tax credit allowed for all eligible partic-  
38 ipants under this subdivision for qualified investments located at each  
39 closed facility shall not exceed eight million dollars. The credit shall  
40 be equal to six percent of the cost or other basis for federal income  
41 tax purposes for all other qualified investments, but the credit allowed  
42 to a taxpayer may not exceed four million dollars.

43 § 4. Section 12 of part V of chapter 61 of the laws of 2011, amending  
44 the economic development law, the tax law and the real property tax law  
45 relating to establishing the economic transformation and facility rede-  
46 velopment program and providing tax benefits under that program, is  
47 amended to read as follows:

48 § 12. This act shall take effect immediately and shall expire and be  
49 deemed repealed December 31, [~~2021~~] 2024.

50 § 5. This act shall take effect immediately; provided, that the amend-  
51 ments to article 18 of the economic development law made by sections one  
52 and two of this act shall not affect the repeal of such article and  
53 shall be deemed repealed therewith; provided, further that the amend-  
54 ments to section 35 of the tax law made by section three of this act  
55 shall not affect the repeal of such section and shall be deemed repealed  
56 therewith.