

STATE OF NEW YORK

3645--A

2019-2020 Regular Sessions

IN SENATE

February 11, 2019

Introduced by Sens. KENNEDY, METZGER, SERRANO -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to the rehabilitation of historic properties tax credit

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

1 Section 1. Subparagraph (A) of paragraph 1 of subsection (oo) of
2 section 606 of the tax law, as amended by section 1 of part RR of chap-
3 ter 59 of the laws of 2018, is amended and two new paragraphs 6 and 7
4 are added to read as follows:

5 (A) For taxable years beginning on or after January first, two thou-
6 sand ten and before January first, two thousand twenty-five, a taxpayer
7 shall be allowed a credit as hereinafter provided, against the tax
8 imposed by this article, in an amount equal to one hundred percent of
9 the amount of credit allowed the taxpayer with respect to a certified
10 historic structure, and one hundred ten percent of the amount of credit
11 allowed the taxpayer with respect to a certified historic structure that
12 is a small project, under internal revenue code section 47(c)(3), deter-
13 mined without regard to ratably allocating the credit over a five year
14 period as required by subsection (a) of such section 47, with respect to
15 a certified historic structure located within the state. Provided,
16 however, the credit shall not exceed five million dollars. For taxable
17 years beginning on or after January first, two thousand twenty-five, a
18 taxpayer shall be allowed a credit as hereinafter provided, against the
19 tax imposed by this article, in an amount equal to thirty percent of the
20 amount of credit allowed the taxpayer with respect to a certified
21 historic structure under internal revenue code section 47(c)(3), deter-
22 mined without regard to ratably allocating the credit over a five year
23 period as required by subsection (a) of such section 47, with respect to

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

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1 a certified historic structure located within the state; provided,
2 however, the credit shall not exceed one hundred thousand dollars.

3 (6) A taxpayer is permitted to transfer such credit allowed under this
4 subsection, in whole or in part, to any individual or entity, without
5 the requirement of transferring any ownership interest in the certified
6 historic structure or any interest in the entity which owns the certi-
7 fied historic structure; provided, however, that a taxpayer may only
8 transfer such credit once. Any individual or entity to whom the credit
9 was transferred may not transfer the credit, in whole or in part, to any
10 other party but may claim it against the tax imposed by this article.
11 Such transfer shall not affect the time schedule for claiming the credit
12 transferred. Any credit recaptured shall be the liability of the taxpay-
13 er who actually claimed the credit. The claim of a transferee shall be
14 permitted in the same manner and subject to the same provisions of this
15 subsection as applied to the taxpayer to whom the credit was originally
16 allowed.

17 (7) For purposes of this subsection the term "small project" means
18 qualified rehabilitation expenditures totaling five million dollars or
19 less.

20 § 2. Subparagraph (i) of paragraph (a) of subdivision 26 of section
21 210-B of the tax law, as amended by section 2 of part RR of chapter 59
22 of the laws of 2018, is amended and a new paragraph (f) is added to read
23 as follows:

24 (i) For taxable years beginning on or after January first, two thou-
25 sand ten, and before January first, two thousand twenty-five, a taxpayer
26 shall be allowed a credit as hereinafter provided, against the tax
27 imposed by this article, in an amount equal to one hundred percent of
28 the amount of credit allowed the taxpayer for the same taxable year with
29 respect to a certified historic structure, and one hundred ten percent
30 of the amount of credit allowed the taxpayer with respect to a certified
31 historic structure that is a small project, under internal revenue code
32 section 47(c)(3), determined without regard to ratably allocating the
33 credit over a five year period as required by subsection (a) of such
34 section 47, with respect to a certified historic structure located with-
35 in the state. Provided, however, the credit shall not exceed five
36 million dollars.

37 (f) For purposes of this subdivision "small project" means qualified
38 rehabilitation expenditures totaling five million dollars or less.

39 § 3. Subparagraph (A) of paragraph 1 of subdivision (y) of section
40 1511 of the tax law, as amended by section 3 of part RR of chapter 59 of
41 the laws of 2018, is amended and a new paragraph 6 is added to read as
42 follows:

43 (A) For taxable years beginning on or after January first, two thou-
44 sand ten and before January first, two thousand twenty-five, a taxpayer
45 shall be allowed a credit as hereinafter provided, against the tax
46 imposed by this article, in an amount equal to one hundred percent of
47 the amount of credit allowed the taxpayer with respect to a certified
48 historic structure, and one hundred ten percent of the amount of credit
49 allowed the taxpayer with respect to a certified historic structure that
50 is a small project, under internal revenue code section 47(c)(3), deter-
51 mined without regard to ratably allocating the credit over a five year
52 period as required by subsection (a) of such section 47, with respect to
53 a certified historic structure located within the state. Provided,
54 however, the credit shall not exceed five million dollars. For taxable
55 years beginning on or after January first, two thousand twenty-five, a
56 taxpayer shall be allowed a credit as hereinafter provided, against the

1 tax imposed by this article, in an amount equal to thirty percent of the
2 amount of credit allowed the taxpayer with respect to a certified
3 historic structure under internal revenue code section 47(c)(3), deter-
4 mined without regard to ratably allocating the credit over a five year
5 period as required by subsection (a) of such section 47 with respect to
6 a certified historic structure located within the state. Provided,
7 however, the credit shall not exceed one hundred thousand dollars.

8 (6) For purposes of this subdivision "small project" means qualified
9 rehabilitation expenditures totaling five million dollars or less.

10 § 4. This act shall take effect immediately and shall apply to taxable
11 years beginning on and after January 1, 2020.