STATE OF NEW YORK

4231

2019-2020 Regular Sessions

IN SENATE

March 5, 2019

Introduced by Sens. KAMINSKY, HARCKHAM, MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

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:

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

For taxable years beginning before January first, two thousand sixteen, the amount prescribed by this paragraph shall be computed at the rate of seven and one-tenth percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand sixteen, the amount prescribed by this paragraph shall be six and one-half percent of the taxpayer's business income base. The taxpayer's business income base shall mean the portion of the taxpayer's business income apportioned within the state as hereinafter provided. However, in the case of a small business taxpayer, as defined in paragraph (f) of this subdivision, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (iv) of this paragraph and in the case of a manufacturer, as defined in subparagraph (vi) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vi) of this paragraph, and, in the case of a qualified emerging technology company, as defined in subparagraph (vii) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vii) of this paragraph**, and in the case of a water-works corporation, as defined in subparagraph (x) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (x) of this paragraph**.

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

S LBD10360-02-9

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

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

§ 3. This act shall take effect immediately.