

STATE OF NEW YORK

6711

2019-2020 Regular Sessions

IN SENATE

September 13, 2019

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the tax law, in relation to the transferability of 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. Subsection (oo) of section 606 of the tax law, is amended
2 by adding a new paragraph 6 to read as follows:

3 (6)(a) A taxpayer allowed a credit pursuant to this subsection may
4 transfer the credit, in whole or in part, to another person or entity,
5 who shall be referred to as the transferee, with respect to the rehabil-
6 itated historic building may be allocated and notwithstanding that such
7 other person or entity owns no interest in the rehabilitated historic
8 building or in an entity with an ownership interest in the rehabilitated
9 historic building. Transferees shall be entitled to apply transferred
10 credit to a tax imposed under article nine-A, twenty-two or thirty-three
11 of this chapter, provided all requirements for claiming the credit are
12 met. A transferee may not transfer any credit, or portion thereof,
13 acquired by transfer.

14 (b) A taxpayer allowed a credit pursuant to this article must enter
15 into a transfer contract with the transferee. The transfer contract must
16 specify (i) the building identification numbers for rehabilitated
17 historic buildings in the project; (ii) the date such rehabilitated
18 historic building was placed into service; (iii) the five year compli-
19 ance period for the project; (iv) the schedule of years for which the
20 transfer credit may be claimed and the amount of credit previously
21 claimed; (v) the amount of consideration received by the taxpayer for
22 the transfer credit; and (vi) the amount of credit being transferred.

23 (c) No transfer shall be effective unless the taxpayer allowed a cred-
24 it pursuant to this subsection and seeking to transfer the credit files
25 a transfer statement with the commissioner of parks, recreation and

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

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1 historic preservation prior to the transfer and he or she approves such
2 transfer. The transfer statement shall provide the name and federal
3 identification numbers of the filing transferor and the taxpayer to whom
4 the filing transferor transferred the credit, and the amount of credit
5 transferred to each such person or entity. A copy of the transfer
6 contract shall be attached to the transfer statement. The statement
7 shall also contain such other information as the commissioner of parks,
8 recreation and historic preservation may require. After reviewing the
9 transfer contract and the transfer statement, the commissioner of parks,
10 recreation and historic preservation shall approve or deny the transfer
11 as provided in this subsection. If the commissioner of parks, recreation
12 and historic preservation approves the transfer, he or she shall issue
13 an approval statement that provides the name of the transferor and
14 transferee, the amount of credit being transferred and such other infor-
15 mation as the commissioner of parks, recreation and historic preserva-
16 tion and the commissioner deem necessary. A copy of the statement
17 approved by the commissioner of parks, recreation and historic preserva-
18 tion must be attached to the transferee's tax return. If the commission-
19 er of parks, recreation and historic preservation denies the transfer,
20 he or she shall provide the taxpayer a written determination for such
21 denial. The commissioner of parks, recreation and historic preservation,
22 in consultation with the commissioner, may establish such other proce-
23 dures and standards deemed necessary for the transferability of the
24 rehabilitation tax credit.

25 (d) The commissioner of parks, recreation and historic preservation
26 shall forward copies of all transfer statements and attachments thereto
27 and approval statements to the department within thirty days after the
28 transfer is approved by the commissioner of parks, recreation and
29 historic preservation.

30 (e) The taxpayer that originally received the credit shall remain
31 solely liable for all obligations and liabilities imposed on the taxpay-
32 er with respect to the credit, none of which shall apply to a party to
33 whom the credit has been subsequently transferred.

34 § 2. This act shall take effect immediately and shall apply to taxable
35 years beginning on and after January 1, 2020.