AN ACT to amend the tax law, in relation to providing an exclusion from income for amounts received pursuant to the COVID-19 pandemic small business recovery grant program

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

Section 1. Paragraph (a) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 22 to read as follows:

(22) Grants received pursuant to the COVID-19 pandemic small business recovery grant program, established in section 16-ff of the New York State Urban Development Corporation Act, to the extent includable in federal taxable income.

§ 2. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 45 to read as follows:

(45) Grants received pursuant to the COVID-19 pandemic small business recovery grant program, established in section 16-ff of the New York State Urban Development Corporation Act, to the extent includable in federal adjusted gross income.

§ 3. This act shall take effect immediately and shall apply to taxable years commencing on or after January 1, 2021.