STATE OF NEW YORK

4511

2021-2022 Regular Sessions

IN ASSEMBLY

February 4, 2021

Introduced by M. of A. RAMOS -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to providing tax deductions for expenditures made to purchase, construct, renovate or remodel child care facilities

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

Section 1. The tax law is amended by adding a new section 188-a to read as follows:

§ 188-a. Deduction for creation or improvement of child care facilities. A taxpayer operating a child care facility within the state primarily for the children of such taxpayer's employees, shall be allowed a deduction from taxable income for any expenditure made to acquire, construct, renovate or remodel such child care facility or the equipment therein. The deduction created by this section shall be deducted over twenty-four months commencing in the month in which such acquisition, construction, renovation or remodeling is put into service. The deduction provided by this section shall be in lieu of any other allowance for the exhaustion of such property used in a trade or business held for the production of income, including a reasonable allowance for obsolescence pursuant to section one hundred sixty-seven or one hundred eighty-eight of the internal revenue code.

§ 2. Subdivision 9 of section 208 of the tax law is amended by adding two new paragraphs (u) and (v) to read as follows:

(u) A taxpayer operating a child care facility for profit, shall be allowed a deduction from entire net income for any expenditure made to acquire, construct, renovate or remodel such child care facility or the equipment therein. The deduction created by this paragraph shall be deducted over sixty months commencing in the month in which such acquisition, construction, renovation or remodeling is put into service.

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

LBD07912-01-1

(v) A taxpayer operating a child care facility within the state primarily for the children of such taxpayer's employees, shall be allowed a deduction from the entire net income for any expenditure made to acquire, construct, renovate or remodel such child care facility or the equipment therein. The deduction created by this paragraph shall be deducted over twenty-four months commencing in the month in which such acquisition, construction, renovation or remodeling is put into service. The deduction provided by this paragraph shall be in lieu of any other allowance for the exhaustion of such property used in a trade or business held for the production of income, including a reasonable allowance for obsolescence pursuant to section one hundred sixty-seven or one hundred eighty-eight of the internal revenue code.

§ 3. Subsection (c) of section 612 of the tax law is amended by adding two new paragraphs 17 and 18 to read as follows:

(17) Any expenditure made by a taxpayer operating a child care facility for profit, to acquire, construct, renovate or remodel such child care facility or the equipment therein. The deduction created by this paragraph shall be deducted over sixty months commencing in the month in which such acquisition, construction, renovation or remodeling is put into service.

(18) Any expenditure made by a taxpayer operating a child care facility within the state primarily for the children of such taxpayer's employees, to acquire, construct, renovate or remodel such child care facility or the equipment therein. The deduction created by this paragraph shall be deducted over twenty-four months commencing in the month in which such acquisition, construction, renovation or remodeling is put into service. The deduction provided by this paragraph shall be in lieu of any other allowance for the exhaustion of such property used in a trade or business held for the production of income, including a reasonable allowance for obsolescence pursuant to section one hundred sixty-seven or one hundred eighty-eight of the internal revenue code.

§ 4. This act shall take effect immediately.