

STATE OF NEW YORK

1545

2021-2022 Regular Sessions

IN SENATE

January 13, 2021

Introduced by Sens. BENJAMIN, KAPLAN -- 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 and the administrative code of the city of
New York, in relation to exclusions of the entire net income

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

1 Section 1. Paragraph (b) of subdivision 9 of section 208 of the tax
2 law is amended by adding two new subparagraphs 27 and 28 to read as
3 follows:

4 (27) The amount disallowed as a deduction pursuant to paragraph one of
5 subsection (j) of section 163 of the internal revenue code.

6 (28) Any amount deducted by reason of a carry forward of disallowed
7 business interest pursuant to paragraph two of subsection (j) of section
8 163 of the internal revenue code.

9 § 2. Subparagraphs 21 and 22 of paragraph (b) of subdivision 8 of
10 section 11-652 of the administrative code of the city of New York,
11 subparagraph 21 as added by section 3-a of part KK of chapter 59 of the
12 laws of 2018, subparagraph 22 as amended by chapter 121 of the laws of
13 2020, are amended and two new subparagraphs 23 and 24 are added to read
14 as follows:

15 (21) the amount of any federal deduction allowed pursuant to section
16 250(a)(1)(A) of the internal revenue code[-];

17 (22) For taxable years beginning in two thousand nineteen and two
18 thousand twenty, the amount of the increase in the federal interest
19 deduction allowed pursuant to section 163(j)(10) of the internal revenue
20 code[-];

21 (23) the amount disallowed as a deduction pursuant to paragraph one of
22 subsection (j) of section 163 of the internal revenue code;

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

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1 (24) any amount deducted by reason of a carry forward of disallowed
2 business interest pursuant to paragraph two of subsection (j) of section
3 163 of the internal revenue code.

4 § 3. Paragraph 1 of subdivision (b) of section 1503 of the tax law is
5 amended by adding a new subparagraph (W) to read as follows:

6 (W) the amount disallowed as a deduction pursuant to paragraph one of
7 subsection (j) of section 163 of the internal revenue code.

8 § 4. Paragraph 2 of subdivision (b) of section 1503 of the tax law is
9 amended by adding a new subparagraph (Z) to read as follows:

10 (Z) any amount deducted by reason of a carry forward of disallowed
11 business interest pursuant to paragraph two of subsection (j) of section
12 163 of the internal revenue code.

13 § 5. This act shall take effect immediately and apply to taxable years
14 beginning on or after January 1, 2021.