

STATE OF NEW YORK

2242

2021-2022 Regular Sessions

IN SENATE

January 20, 2021

Introduced by Sen. RITCHIE -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law and the tax law, in relation to granting eligibility for the economic transformation and facility redevelopment program tax credit to certain state psychiatric centers with decommissioned or surplus land

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

1 Section 1. Paragraph (e) of subdivision 4 of section 400 of the
2 economic development law, as added by section 1 of part QQ of chapter 60
3 of the laws of 2016, is amended to read as follows:

4 (e) provided, however that the requirement in paragraph (a) of this
5 subdivision that the participant be a new business shall not apply to a
6 closed facility as defined in paragraph (d) or (e) of subdivision eleven
7 of this section.

8 § 2. Paragraph (d) of subdivision 10 of section 400 of the economic
9 development law, as added by section 2 of part QQ of chapter 60 of the
10 laws of 2016, is amended to read as follows:

11 (d) Notwithstanding paragraph (b) of this subdivision, with respect to
12 a closed facility described in paragraph (d) or (e) of subdivision eleven
13 of this section, the economic transformation area shall consist only
14 of the acreage of the closed facility.

15 § 3. Paragraph (d) of subdivision 11 of section 400 of the economic
16 development law, as added by section 3 of part QQ of chapter 60 of the
17 laws of 2016, is amended and a new paragraph (e) is added to read as
18 follows:

19 (d) a facility previously owned by the state, and when operated, was
20 operated as a psychiatric facility pursuant to section 7.17 of the
21 mental hygiene law, and located within the metropolitan commuter trans-
22 portation district but outside New York city[-]; or

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

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1 (e) a facility that currently operates as a psychiatric center pursu-
2 ant to section 7.17 of the mental hygiene law, where at least three-
3 fifths of the total acreage of such facility has been designated by the
4 commissioner of mental health as decommissioned or surplus, including
5 the buildings thereon.

6 § 4. Subdivision 1 of section 402 of the economic development law, as
7 amended by section 4 of part QQ of chapter 60 of the laws of 2016, is
8 amended to read as follows:

9 1. A business entity must submit a completed application as prescribed
10 by the commissioner by the later of (a) the date that is three years
11 after the date of the closure of the closed facility located in the
12 economic transformation area in which the business entity would operate
13 or (b) January first, two thousand fifteen. Provided however, in the
14 case of a closed facility described in paragraph (d) or (e) of subdivi-
15 sion eleven of section four hundred of this article, a business entity
16 must submit a completed application as prescribed by the commissioner by
17 September first, two thousand ~~sixteen~~ twenty.

18 § 5. Paragraph 1 of subdivision (h) of section 35 of the tax law, as
19 amended by section 5 of part QQ of chapter 60 of the laws of 2016, is
20 amended to read as follows:

21 (1) A taxpayer which meets the requirements in this section shall be
22 eligible to claim a credit on qualified investments with respect to the
23 project for which the certificate of eligibility is issued. The credit
24 shall be equal to ten percent of the cost or other basis for federal
25 income tax purposes of the qualified investment at a closed facility.
26 Provided however, for purposes of this credit only, a taxpayer that is
27 the owner of a closed facility described in paragraph (d) or (e) of
28 subdivision eleven of section four hundred of the economic development
29 law, shall be allowed to include in its cost or other basis of the qual-
30 ified investment at the closed facility, any demolition costs incurred
31 at such closed facility. Those demolition costs shall be limited to the
32 following costs: (i) asbestos removal costs, (ii) rental of demolition
33 equipment, (iii) personnel costs to operate the demolition equipment,
34 (iv) costs to remove and dispose of demolition debris, (v) the costs of
35 any permits, licenses and insurance necessary for the demolition. The
36 total amount of investment tax credit allowed for all eligible partic-
37 ipants under this subdivision for qualified investments located at each
38 closed facility shall not exceed eight million dollars. The credit shall
39 be equal to six percent of the cost or other basis for federal income
40 tax purposes for all other qualified investments, but the credit allowed
41 to a taxpayer may not exceed four million dollars.

42 § 6. This act shall take effect immediately, provided that the amend-
43 ments to sections 400 and 402 of the economic development law, made by
44 sections one, two, three and four of this act, and section 35 of the tax
45 law, made by section five of this act, shall not affect the expiration
46 and repeal of such sections and shall be deemed repealed therewith.