

# STATE OF NEW YORK

2509--B

## IN SENATE

January 20, 2021

A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to extending the top state income tax rate (Part A); intentionally omitted (Part B); to amend the tax law, in relation to the imposition of a pass-through business tax (Part C); to amend the economic development law and the tax law, in relation to child care services expenditures under the excelsior jobs program and the employer provided child care credit (Part D); to amend the tax law, in relation to the taxation of certain corporations classed as a taxicab or omnibus (Part E); to amend the tax law, in relation to the empire state film production credit and the empire state film post production credit (Part F); intentionally omitted (Part G); intentionally omitted (Part H); Intentionally Omitted (Part I); to amend the tax law, to impose sales tax on such admissions to race tracks and simulcast facilities; and to repeal section 227, section 306, section 406, subparagraph (ii) of paragraph b of subdivision 4 of section 1008 and paragraph b of subdivision 5 of section 1009 of the racing, pari-mutuel, wagering and breeding law, relating to certain taxes on admissions to race tracks and simulcast facilities (Part J); intentionally omitted (Part K); to amend the tax law, in relation to the authority of counties to impose sales and compensating use taxes; and to repeal certain provisions of such law relating thereto (Part L); to amend the tax law, in relation to exempting from sales and use tax certain tangible personal property or services (Part M); to amend the tax law, in relation to increasing the total dollar amount for vendors' gross receipts necessary for registration filing (Part N); to amend the tax law, in relation to imposing liability for real estate transfer taxes on responsible persons, prohibiting grantors from passing real estate transfer tax to grantees, and exempting certain organizations from the LLC disclosure requirement (Part O); to amend the tax law, in relation to restrictions on certain retail dealers whose registrations have been revoked or who have been forbidden from selling cigarettes or tobacco products (Part P); to amend the tax

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

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law, in relation to the timing and method for filing certain returns (Part Q); to amend the tax law, in relation to determining liability for the collection of taxes on medallion taxicab trips and congestion surcharges (Part R); to amend the tax law, in relation to increasing tax return preparer penalties for failure to register and requiring the display of certain documents by tax return preparers (Part S); intentionally omitted (Part T); to amend the real property law and the tax law, in relation to electronic submission of consolidated real property transfer forms; and to repeal certain provisions of the real property law relating thereto (Part U); intentionally omitted (Subpart A); intentionally omitted (Subpart B); intentionally omitted (Subpart C); intentionally omitted (Subpart D); and to amend the real property law, the real property tax law and the tax law, in relation to exemptions for manufactured home park owners or operators and mobile home owners; and to repeal certain provisions of the real property law relating thereto (Subpart E)(Part V); to amend the real property tax law, in relation to facilitating the administration of the real property tax, and to repeal section 307 of such law relating thereto (Part W); to amend the real property tax law and the general municipal law, in relation to promoting the development of renewable energy projects (Part X); to amend the racing, pari-mutuel wagering and breeding law, in relation to the regulation of sports betting and authorizing mobile sports wagering; and providing for the repeal of certain provisions of such law relating thereto (Part Y); intentionally omitted (Part Z); to amend the tax law, in relation to a keno style lottery game (Part AA); to amend the tax law, in relation to restrictions on certain lottery draw game offerings (Part BB); to amend the racing, pari-mutuel wagering and breeding law, in relation to the office of the gaming inspector general; and to repeal certain provisions of such law relating thereto (Part CC); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part DD); to amend chapter 109 of the laws of 2006 amending the tax law and other laws relating to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels, in relation to extending the alternative fuels tax exemptions for five years (Part EE); to amend the tax law and chapter 60 of the laws of 2016 amending the tax law relating to creating a farm workforce retention credit, in relation to extending the provisions of such credit through tax year 2024 (Part FF); to amend the public housing law, in relation to extending the credit against income tax for persons or entities investing in low-income housing (Part GG); to amend chapter 59 of the laws of 2014, amending the tax law relating to a musical and theatrical production credit, in relation to the effectiveness thereof; and to amend the tax law in relation to increasing the aggregate cap on the amount of such credit (Part HH); to amend the tax law, in relation to extending hire a veteran credit for an additional two years (Part II); to amend chapter

61 of the laws of 2011 amending the economic development law, the tax law and the real property tax law, relating to establishing the economic transformation and facility redevelopment program and providing tax benefits under that program and to amend the economic development law, in relation to extending the tax credits under the economic transformation and facility redevelopment program (Part JJ); to amend the general business law, in relation to requiring the implementation of the secure choice program by a certain date (Part KK); in relation to temporarily suspending certain racing support payments (Part LL); to amend the racing, pari-mutuel wagering and breeding law, in relation to converting video lottery terminal facilities in Queens and Westchester counties to destination resort gaming facilities (Part MM); clarifying for certain tax credit programs that work performed remotely within the state due to the outbreak of novel coronavirus, COVID-19, qualifies for certain tax credit programs; and providing for the repeal of such provisions upon expiration thereof (Part NN); to amend the tax law, in relation to the amount of the business income base and capital base for the computation of tax (Part OO); to amend the tax law, in relation to imposing an additional tax on income from capital gain (Part PP); to amend the tax law and the administrative code of the city of New York, in relation to investment income (Part QQ); to amend the tax law, in relation to the computation of estate tax (Part RR); to amend the real property law and the uniform commercial code, in relation to requiring the recording of mezzanine debt and preferred equity investments; and to amend the tax law, in relation to including mezzanine debt in the mortgage recording tax (Part SS); to amend the tax law, in relation to filing fees for limited liability companies and partnerships (Part TT); and to amend the tax law, in relation to the real property tax relief credit (Part UU)

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

1 Section 1. This act enacts into law major components of legislation  
2 which are necessary to implement the state fiscal plan for the 2021-2022  
3 state fiscal year. Each component is wholly contained within a Part  
4 identified as Parts A through UU. The effective date for each particular  
5 provision contained within such Part is set forth in the last section of  
6 such Part. Any provision in any section contained within a Part,  
7 including the effective date of the Part, which makes a reference to a  
8 section "of this act", when used in connection with that particular  
9 component, shall be deemed to mean and refer to the corresponding  
10 section of the Part in which it is found. Section three of this act sets  
11 forth the general effective date of this act.

12 PART A

13 Section 1. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph  
14 (B) of paragraph 1 of subsection (a) of section 601 of the tax law,  
15 clauses (iv), (v), (vi) and (vii) as amended by section 1 of part P of  
16 chapter 59 of the laws of 2019, and clause (viii) as added by section 1  
17 of part R of chapter 59 of the laws of 2017, are amended to read as  
18 follows:

19 (iv) For taxable years beginning in two thousand twenty-one the  
20 following rates shall apply:

|    |                                       |  |
|----|---------------------------------------|--|
| 1  | If the New York taxable income is:    | The tax is:  |
| 2  | Not over \$17,150                     | 4% of the New York taxable income                  |
| 3  | Over \$17,150 but not over \$23,600   | \$686 plus 4.5% of excess over                     |
| 4  |                                       | \$17,150   |
| 5  | Over \$23,600 but not over \$27,900   | \$976 plus 5.25% of excess over                    |
| 6  |                                       | \$23,600   |
| 7  | Over \$27,900 but not over \$43,000   | \$1,202 plus 5.9% of excess over                   |
| 8  |                                       | \$27,900   |
| 9  | Over \$43,000 but not over \$161,550  | \$2,093 plus 5.97% of excess over                  |
| 10 |                                       | \$43,000   |
| 11 | Over \$161,550 but not over \$323,200 | \$9,170 plus 6.33% of excess over                  |
| 12 |                                       | \$161,550  |
| 13 | Over \$323,200 but not over           | \$19,403 plus 6.85% of excess                      |
| 14 | \$2,155,350                           | over \$323,200                                     |
| 15 | Over \$2,155,350                      | \$144,905 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 16 | <u>but not over \$10,000,000</u>      | excess over \$2,155,350                            |
| 17 | <u>Over \$10,000,000 but not over</u> | <u>\$917,603 plus 10.85% of</u>                    |
| 18 | <u>\$50,000,000</u>                   | <u>excess over \$10,000,000</u>                    |
| 19 | <u>Over \$50,000,000</u>              | <u>\$5,257,603 plus 11.85% of</u>                  |
| 20 |                                       | <u>excess over \$50,000,000</u>                    |

21 (v) For taxable years beginning in two thousand twenty-two the follow-  
 22 ing rates shall apply:

|    |   |  |
|----|---|--|
| 23 | If the New York taxable income is:      | The tax is:  |
| 24 | Not over \$17,150                       | 4% of the New York taxable income                  |
| 25 | Over \$17,150 but not over \$23,600     | \$686 plus 4.5% of excess over                     |
| 26 |   | \$17,150   |
| 27 | Over \$23,600 but not over \$27,900     | \$976 plus 5.25% of excess over                    |
| 28 |   | \$23,600   |
| 29 | Over \$27,900 but not over \$161,550    | \$1,202 plus 5.85% of excess over                  |
| 30 |   | \$27,900   |
| 31 | Over \$161,550 but not over \$323,200   | \$9,021 plus 6.25% of excess over                  |
| 32 |   | \$161,550  |
| 33 | Over \$323,200 but not over \$2,155,350 | \$19,124 plus                                      |
| 34 |   | 6.85% of excess over \$323,200                     |
| 35 | Over \$2,155,350                        | \$144,626 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 36 | <u>but not over \$10,000,000</u>        | excess over \$2,155,350                            |
| 37 | <u>Over \$10,000,000</u>                | <u>\$917,324 plus 10.85% of</u>                    |
| 38 | <u>but not over \$50,000,000</u>        | <u>excess over \$10,000,000</u>                    |
| 39 | <u>Over \$50,000,000</u>                | <u>\$5,257,324 plus 11.85% of</u>                  |
| 40 |   | <u>excess over \$50,000,000</u>                    |

41 (vi) For taxable years beginning in two thousand twenty-three the  
 42 following rates shall apply:

|    |                                       |  |
|----|---------------------------------------|--|
| 43 | If the New York taxable income is:    | The tax is:  |
| 44 | Not over \$17,150                     | 4% of the New York taxable income                  |
| 45 | Over \$17,150 but not over \$23,600   | \$686 plus 4.5% of excess over                     |
| 46 |                                       | \$17,150   |
| 47 | Over \$23,600 but not over \$27,900   | \$976 plus 5.25% of excess over                    |
| 48 |                                       | \$23,600   |
| 49 | Over \$27,900 but not over \$161,550  | \$1,202 plus 5.73% of excess over                  |
| 50 |                                       | \$27,900   |
| 51 | Over \$161,550 but not over \$323,200 | \$8,860 plus 6.17% of excess over                  |
| 52 |                                       | \$161,550  |
| 53 | Over \$323,200 but not over           | \$18,834 plus 6.85% of                             |
| 54 | \$2,155,350                           | excess over \$323,200                              |
| 55 | Over \$2,155,350                      | \$144,336 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 56 | <u>but not over \$10,000,000</u>      | excess over \$2,155,350                            |

|    |   |  |
|----|---|--|
| 1  | <u>Over \$10,000,000</u>  | <u>\$917,034 plus 10.85% of excess</u>             |
| 2  | <u>but not over \$50,000,000</u>  | <u>over \$10,000,000</u>                           |
| 3  | <u>Over \$50,000,000</u>  | <u>\$5,257,034 plus 11.85% of</u>                  |
| 4  |   | <u>excess over \$50,000,000</u>                    |
| 5  | (vii) For taxable years beginning in two thousand twenty-four the       |  |
| 6  | following rates shall apply:  |  |
| 7  | If the New York taxable income is:                                      | The tax is:  |
| 8  | Not over \$17,150   | 4% of the New York taxable income                  |
| 9  | Over \$17,150 but not over \$23,600                                     | \$686 plus 4.5% of excess over                     |
| 10 |   | \$17,150   |
| 11 | Over \$23,600 but not over \$27,900                                     | \$976 plus 5.25% of excess over                    |
| 12 |   | \$23,600   |
| 13 | Over \$27,900 but not over \$161,550                                    | \$1,202 plus 5.61% of excess over                  |
| 14 |   | \$27,900   |
| 15 | Over \$161,550 but not over \$323,200                                   | \$8,700 plus 6.09% of excess over                  |
| 16 |   | \$161,550  |
| 17 | Over \$323,200 but not over   | \$18,544 plus 6.85% of                             |
| 18 | \$2,155,350   | excess over \$323,200                              |
| 19 | Over \$2,155,350  | \$144,047 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 20 | <u>but not over \$10,000,000</u>  | excess over \$2,155,350                            |
| 21 | <u>Over \$10,000,000</u>  | <u>\$916,745 plus 10.85% of</u>                    |
| 22 | <u>but not over \$50,000,000</u>  | <u>excess over \$10,000,000</u>                    |
| 23 | <u>Over \$50,000,000</u>  | <u>\$5,256,745 plus 11.85% of</u>                  |
| 24 |   | <u>excess over \$50,000,000</u>                    |
| 25 | (viii) For taxable years beginning after two thousand twenty-four the   |  |
| 26 | following rates shall apply:  |  |
| 27 | If the New York taxable income is:                                      | The tax is:  |
| 28 | Not over \$17,150   | 4% of the New York taxable income                  |
| 29 | Over \$17,150 but not over \$23,600                                     | \$686 plus 4.5% of excess over                     |
| 30 |   | \$17,150   |
| 31 | Over \$23,600 but not over \$27,900                                     | \$976 plus 5.25% of excess over                    |
| 32 |   | \$23,600   |
| 33 | Over \$27,900 but not over \$161,550                                    | \$1,202 plus 5.5% of excess over                   |
| 34 |   | \$27,900   |
| 35 | Over \$161,550 but not over \$323,200                                   | \$8,553 plus 6.00% of excess over                  |
| 36 |   | \$161,550  |
| 37 | Over \$323,200  | \$18,252 plus 6.85% of excess over                 |
| 38 | <u>but not over \$2,155,350</u>   | <u>\$323,200</u>                                   |
| 39 | <u>Over \$2,155,350</u>   | <u>\$143,754 plus 9.85% of excess</u>              |
| 40 | <u>but not over \$10,000,000</u>  | <u>over \$2,155,350</u>                            |
| 41 | <u>Over \$10,000,000</u>  | <u>\$916,745 plus 10.85% of</u>                    |
| 42 | <u>but not over \$50,000,000</u>  | <u>excess over \$10,000,000</u>                    |
| 43 | <u>Over \$50,000,000</u>  | <u>\$5,256,745 plus 11.85% of</u>                  |
| 44 |   | <u>excess over \$50,000,000</u>                    |
| 45 | § 2. Clauses (iv), (v), (vi), (vii), and (viii) of subparagraph (B) of  |  |
| 46 | paragraph 1 of subsection (b) of section 601 of the tax law, clauses    |  |
| 47 | (iv), (v), (vi) and (vii) as amended by section 2 of part P of chapter  |  |
| 48 | 59 of the laws of 2019, and clause (viii) as added by section 2 of part |  |
| 49 | R of chapter 59 of the laws of 2017, are amended to read as follows:    |  |
| 50 | (iv) For taxable years beginning in two thousand twenty-one the         |  |
| 51 | following rates shall apply:  |  |
| 52 | If the New York taxable income is:                                      | The tax is:  |
| 53 | Not over \$12,800   | 4% of the New York taxable income                  |
| 54 | Over \$12,800 but not over \$17,650                                     | \$512 plus 4.5% of excess over                     |
| 55 |   | \$12,800   |
| 56 | Over \$17,650 but not over \$20,900                                     | \$730 plus 5.25% of excess over                    |

|    |                                       |  |
|----|---------------------------------------|--|
| 1  |                                       | \$17,650   |
| 2  | Over \$20,900 but not over \$32,200   | \$901 plus 5.9% of excess over                     |
| 3  |                                       | \$20,900   |
| 4  | Over \$32,200 but not over \$107,650  | \$1,568 plus 5.97% of excess over                  |
| 5  |                                       | \$32,200   |
| 6  | Over \$107,650 but not over \$269,300 | \$6,072 plus 6.33% of excess over                  |
| 7  |                                       | \$107,650  |
| 8  | Over \$269,300 but not over           | \$16,304 plus 6.85% of                             |
| 9  | \$1,616,450                           | excess over \$269,300                              |
| 10 | Over \$1,616,450                      | \$108,584 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 11 | <u>but not over \$7,500,000</u>       | excess over \$1,616,450                            |
| 12 | <u>Over \$7,500,000</u>               | <u>\$688,114 plus 10.85% of</u>                    |
| 13 | <u>but not over \$37,500,000</u>      | <u>excess over \$7,500,000</u>                     |
| 14 | <u>Over \$37,500,000</u>              | <u>\$3,943,114 plus 11.85% of</u>                  |
| 15 |                                       | <u>excess over \$37,500,000</u>                    |

16 (v) For taxable years beginning in two thousand twenty-two the follow-  
 17 ing rates shall apply:

|    |                                       |  |
|----|---------------------------------------|--|
| 18 | If the New York taxable income is:    | The tax is:  |
| 19 | Not over \$12,800                     | 4% of the New York taxable income                  |
| 20 | Over \$12,800 but not over \$17,650   | \$512 plus 4.5% of excess over                     |
| 21 |                                       | \$12,800   |
| 22 | Over \$17,650 but not over \$20,900   | \$730 plus 5.25% of excess over                    |
| 23 |                                       | \$17,650   |
| 24 | Over \$20,900 but not over \$107,650  | \$901 plus 5.85% of excess over                    |
| 25 |                                       | \$20,900   |
| 26 | Over \$107,650 but not over \$269,300 | \$5,976 plus 6.25% of excess over                  |
| 27 |                                       | \$107,650  |
| 28 | Over \$269,300 but not over           | \$16,079 plus 6.85% of excess                      |
| 29 | \$1,616,450                           | over \$269,300                                     |
| 30 | Over \$1,616,450                      | \$108,359 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 31 | <u>but not over \$7,500,000</u>       | excess over \$1,616,450                            |
| 32 | <u>Over \$7,500,000</u>               | <u>\$687,889 plus 10.85% of</u>                    |
| 33 | <u>but not over \$37,500,000</u>      | <u>excess over \$7,500,000</u>                     |
| 34 | <u>Over \$37,500,000</u>              | <u>\$3,942,889 plus 11.85% of</u>                  |
| 35 |                                       | <u>excess over \$37,500,000</u>                    |

36 (vi) For taxable years beginning in two thousand twenty-three the  
 37 following rates shall apply:

|    |                                       |  |
|----|---------------------------------------|--|
| 38 | If the New York taxable income is:    | The tax is:  |
| 39 | Not over \$12,800                     | 4% of the New York taxable income                  |
| 40 | Over \$12,800 but not over \$17,650   | \$512 plus 4.5% of excess over                     |
| 41 |                                       | \$12,800   |
| 42 | Over \$17,650 but not over \$20,900   | \$730 plus 5.25% of excess over                    |
| 43 |                                       | \$17,650   |
| 44 | Over \$20,900 but not over \$107,650  | \$901 plus 5.73% of excess over                    |
| 45 |                                       | \$20,900   |
| 46 | Over \$107,650 but not over \$269,300 | \$5,872 plus 6.17% of excess over                  |
| 47 |                                       | \$107,650  |
| 48 | Over \$269,300 but not over           | \$15,845 plus 6.85% of excess                      |
| 49 | \$1,616,450                           | over \$269,300                                     |
| 50 | Over \$1,616,450                      | \$108,125 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 51 | <u>but not over \$7,500,000</u>       | excess over \$1,616,450                            |
| 52 | <u>Over \$7,500,000</u>               | <u>\$687,655 plus 10.85% of</u>                    |
| 53 | <u>but not over \$37,500,000</u>      | <u>excess over \$7,500,000</u>                     |
| 54 | <u>Over \$37,500,000</u>              | <u>\$3,942,655 plus 11.85% of</u>                  |
| 55 |                                       | <u>excess over \$37,500,000</u>                    |

|    |                                       |  |
|----|---------------------------------------|--|
| 1  | (vii) For taxable years beginning     | in two thousand twenty-four the                    |
| 2  | following rates shall apply:          |  |
| 3  | If the New York taxable income is:    | The tax is:  |
| 4  | Not over \$12,800                     | 4% of the New York taxable income                  |
| 5  | Over \$12,800 but not over \$17,650   | \$512 plus 4.5% of excess over                     |
| 6  |                                       | \$12,800   |
| 7  | Over \$17,650 but not over \$20,900   | \$730 plus 5.25% of excess over                    |
| 8  |                                       | \$17,650   |
| 9  | Over \$20,900 but not over \$107,650  | \$901 plus 5.61% of excess over                    |
| 10 |                                       | \$20,900   |
| 11 | Over \$107,650 but not over \$269,300 | \$5,768 plus 6.09% of excess over                  |
| 12 |                                       | \$107,650  |
| 13 | Over \$269,300 but not over           | \$15,612 plus 6.85% of excess                      |
| 14 | \$1,616,450                           | over \$269,300                                     |
| 15 | Over \$1,616,450                      | \$107,892 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 16 | <u>but not over \$7,500,000</u>       | excess over \$1,616,450                            |
| 17 | <u>Over \$7,500,000</u>               | <u>\$687,421 plus 10.85% of</u>                    |
| 18 | <u>but not over \$37,500,000</u>      | <u>excess over \$7,500,000</u>                     |
| 19 | <u>Over \$37,500,000</u>              | <u>\$3,942,421 plus 11.85% of</u>                  |
| 20 |                                       | <u>excess over \$37,500,000</u>                    |

|    |                                       |                                       |
|----|---------------------------------------|---------------------------------------|
| 21 | (viii) For taxable years beginning    | after two thousand twenty-four the    |
| 22 | following rates shall apply:          |                                       |
| 23 | If the New York taxable income is:    | The tax is:                           |
| 24 | Not over \$12,800                     | 4% of the New York taxable income     |
| 25 | Over \$12,800 but not over \$17,650   | \$512 plus 4.5% of excess over        |
| 26 |                                       | \$12,800                              |
| 27 | Over \$17,650 but not over \$20,900   | \$730 plus 5.25% of excess over       |
| 28 |                                       | \$17,650                              |
| 29 | Over \$20,900 but not over \$107,650  | \$901 plus 5.5% of excess over        |
| 30 |                                       | \$20,900                              |
| 31 | Over \$107,650 but not over \$269,300 | \$5,672 plus 6.00% of excess over     |
| 32 |                                       | \$107,650                             |
| 33 | Over \$269,300                        | \$15,371 plus 6.85% of                |
| 34 | <u>but not over \$1,616,450</u>       | excess over \$269,300                 |
| 35 | <u>Over \$1,616,450</u>               | <u>\$107,651 plus 9.85% of excess</u> |
| 36 | <u>but not over \$7,500,000</u>       | <u>over \$1,616,450</u>               |
| 37 | <u>Over \$7,500,000</u>               | <u>\$687,180 plus 10.85% of</u>       |
| 38 | <u>but not over \$37,500,000</u>      | <u>excess over \$7,500,000</u>        |
| 39 | <u>Over \$37,500,000</u>              | <u>\$3,942,180 plus 11.85% of</u>     |
| 40 |                                       | <u>excess over \$37,500,000</u>       |

41 § 3. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph (B) of  
 42 paragraph 1 of subsection (c) of section 601 of the tax law, clauses  
 43 (iv), (v), (vi) and (vii) as amended by section 3 of part P of chapter  
 44 59 of the laws of 2019, and clause (viii) as added by section 3 of part  
 45 R of chapter 59 of the laws of 2017, are amended to read as follows:

|    |                                     |                                   |
|----|-------------------------------------|-----------------------------------|
| 46 | (iv) For taxable years beginning    | in two thousand twenty-one the    |
| 47 | following rates shall apply:        |                                   |
| 48 | If the New York taxable income is:  | The tax is:                       |
| 49 | Not over \$8,500                    | 4% of the New York taxable income |
| 50 | Over \$8,500 but not over \$11,700  | \$340 plus 4.5% of excess over    |
| 51 |                                     | \$8,500                           |
| 52 | Over \$11,700 but not over \$13,900 | \$484 plus 5.25% of excess over   |
| 53 |                                     | \$11,700                          |
| 54 | Over \$13,900 but not over \$21,400 | \$600 plus 5.9% of excess over    |
| 55 |                                     | \$13,900                          |
| 56 | Over \$21,400 but not over \$80,650 | \$1,042 plus 5.97% of excess over |

|    |                                      |   |
|----|--------------------------------------|---|
| 1  |                                      | \$21,400  |
| 2  | Over \$80,650 but not over \$215,400 | \$4,579 plus 6.33% of excess over                 |
| 3  |                                      | \$80,650  |
| 4  | Over \$215,400 but not over          | \$13,109 plus 6.85% of excess                     |
| 5  | \$1,077,550                          | over \$215,400                                    |
| 6  | Over \$1,077,550                     | \$72,166 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 7  | <u>but not over \$5,000,000</u>      | excess over \$1,077,550                           |
| 8  | <u>Over \$5,000,000</u>              | <u>\$458,527 plus 10.85% of</u>                   |
| 9  | <u>but not over \$25,000,000;</u>    | <u>excess over \$5,000,000</u>                    |
| 10 | <u>Over \$25,000,000</u>             | <u>\$2,628,527 plus 11.85% of excess</u>          |
| 11 |                                      | <u>over \$25,000,000</u>                          |

12 (v) For taxable years beginning in two thousand twenty-two the follow-  
13 ing rates shall apply:

|    |                                      |   |
|----|--------------------------------------|---|
| 14 | If the New York taxable income is:   | The tax is:                                       |
| 15 | Not over \$8,500                     | 4% of the New York taxable income                 |
| 16 | Over \$8,500 but not over \$11,700   | \$340 plus 4.5% of excess over                    |
| 17 |                                      | \$8,500   |
| 18 | Over \$11,700 but not over \$13,900  | \$484 plus 5.25% of excess over                   |
| 19 |                                      | \$11,700  |
| 20 | Over \$13,900 but not over \$80,650  | \$600 plus 5.85% of excess over                   |
| 21 |                                      | \$13,900  |
| 22 | Over \$80,650 but not over \$215,400 | \$4,504 plus 6.25% of excess over                 |
| 23 |                                      | \$80,650  |
| 24 | Over \$215,400 but not over          | \$12,926 plus 6.85% of excess                     |
| 25 | \$1,077,550                          | over \$215,400                                    |
| 26 | Over \$1,077,550                     | \$71,984 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 27 | <u>but not over \$5,000,000</u>      | excess over \$1,077,550                           |
| 28 | <u>Over \$5,000,000</u>              | <u>\$458,345 plus 10.85% of</u>                   |
| 29 | <u>but not over \$25,000,000</u>     | <u>excess over \$5,000,000</u>                    |
| 30 | <u>Over \$25,000,000</u>             | <u>\$2,628,345 plus 11.85% of</u>                 |
| 31 |                                      | <u>excess over \$25,000,000</u>                   |

32 (vi) For taxable years beginning in two thousand twenty-three the  
33 following rates shall apply:

|    |                                      |   |
|----|--------------------------------------|---|
| 34 | If the New York taxable income is:   | The tax is:                                       |
| 35 | Not over \$8,500                     | 4% of the New York taxable income                 |
| 36 | Over \$8,500 but not over \$11,700   | \$340 plus 4.5% of excess over                    |
| 37 |                                      | \$8,500   |
| 38 | Over \$11,700 but not over \$13,900  | \$484 plus 5.25% of excess over                   |
| 39 |                                      | \$11,700  |
| 40 | Over \$13,900 but not over \$80,650  | \$600 plus 5.73% of excess over                   |
| 41 |                                      | \$13,900  |
| 42 | Over \$80,650 but not over \$215,400 | \$4,424 plus 6.17% of excess over                 |
| 43 |                                      | \$80,650  |
| 44 | Over \$215,400 but not over          | \$12,738 plus 6.85% of excess                     |
| 45 | \$1,077,550                          | over \$215,400                                    |
| 46 | Over \$1,077,550                     | \$71,796 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 47 | <u>but not over \$5,000,000</u>      | excess over \$1,077,550                           |
| 48 | <u>Over \$5,000,000</u>              | <u>\$458,158 plus 10.85% of excess</u>            |
| 49 | <u>but not over \$25,000,000</u>     | <u>over \$5,000,000</u>                           |
| 50 | <u>Over \$25,000,000</u>             | <u>\$2,628,158 plus 11.85% of</u>                 |
| 51 |                                      | <u>excess over \$25,000,000</u>                   |

52 (vii) For taxable years beginning in two thousand twenty-four the  
53 following rates shall apply:

|    |                                    |                                   |
|----|------------------------------------|-----------------------------------|
| 54 | If the New York taxable income is: | The tax is:                       |
| 55 | Not over \$8,500                   | 4% of the New York taxable income |
| 56 | Over \$8,500 but not over \$11,700 | \$340 plus 4.5% of excess over    |



|    |   |   |
|----|---|---|
| 1  |   | \$8,500   |
| 2  | Over \$11,700 but not over \$13,900                                   | \$484 plus 5.25% of excess over                   |
| 3  |   | \$11,700  |
| 4  | Over \$13,900 but not over \$80,650                                   | \$600 plus 5.61% of excess over                   |
| 5  |   | \$13,900  |
| 6  | Over \$80,650 but not over \$215,400                                  | \$4,344 plus 6.09% of excess over                 |
| 7  |   | \$80,650  |
| 8  | Over \$215,400 but not over   | \$12,550 plus 6.85% of excess                     |
| 9  | \$1,077,550   | over \$215,400                                    |
| 10 | Over \$1,077,550  | \$71,608 plus [ <del>8.82</del> ] <u>9.85%</u> of |
| 11 | <u>but not over \$5,000,000</u>                                       | excess over \$1,077,550                           |
| 12 | <u>Over \$5,000,000</u>   | <u>\$457,970 plus 10.85% of</u>                   |
| 13 | <u>but not over \$25,000,000</u>                                      | <u>excess over \$5,000,000</u>                    |
| 14 | <u>Over \$25,000,000</u>  | <u>\$2,627,970 plus 11.85% of</u>                 |
| 15 |   | <u>excess over \$25,000,000</u>                   |
| 16 | (viii) For taxable years beginning after two thousand twenty-four the |   |
| 17 | following rates shall apply:  |   |
| 18 | If the New York taxable income is:                                    | The tax is:                                       |
| 19 | Not over \$8,500  | 4% of the New York taxable income                 |
| 20 | Over \$8,500 but not over \$11,700                                    | \$340 plus 4.5% of excess over                    |
| 21 |   | \$8,500   |
| 22 | Over \$11,700 but not over \$13,900                                   | \$484 plus 5.25% of excess over                   |
| 23 |   | \$11,700  |
| 24 | Over \$13,900 but not over \$80,650                                   | \$600 plus 5.50% of excess over                   |
| 25 |   | \$13,900  |
| 26 | Over \$80,650 but not over \$215,400                                  | \$4,271 plus 6.00% of excess over                 |
| 27 |   | \$80,650  |
| 28 | Over \$215,400  | \$12,356 plus 6.85% of excess over                |
| 29 | <u>but not over \$1,077,550</u>                                       | <u>\$215,400</u>                                  |
| 30 | <u>Over \$1,077,550</u>   | <u>\$71,413 plus 9.85% of excess</u>              |
| 31 | <u>but not over \$5,000,000</u>                                       | <u>over \$1,077,550</u>                           |
| 32 | <u>Over \$5,000,000</u>   | <u>\$457,775 plus 10.85% of</u>                   |
| 33 | <u>but not over \$25,000,000</u>                                      | <u>excess over \$5,000,000</u>                    |
| 34 | <u>Over \$25,000,000</u>  | <u>\$2,627,775 plus 11.85% of</u>                 |
| 35 |   | <u>excess over \$25,000,000</u>                   |

36 § 4. Section 601 of the tax law is amended by adding a new subsection  
37 (d-2) to read as follows:

38 (d-2) Alternative tax table benefit recapture. Notwithstanding the  
39 provisions of subsection (d) of this section, for taxable years begin-  
40 ning on or after two thousand twenty-one, there is hereby imposed a  
41 supplemental tax in addition to the tax imposed under subsections (a),  
42 (b) and (c) of this section for the purpose of recapturing the benefit  
43 of the tax tables contained in such subsections. During these taxable  
44 years, any reference in this chapter to subsection (d) of this section  
45 shall be read as a reference to this subsection.

46 (1) For resident married individuals filing joint returns and resident  
47 surviving spouses, the supplemental tax shall be an amount equal to the  
48 sum of the tax table benefits described in subparagraphs (A), (B), (C)  
49 D), (E), and (F) of this paragraph multiplied by their respective frac-  
50 tions in such subparagraphs. Furthermore, in making the calculations  
51 described in these subparagraphs in taxable years beginning after tax  
52 year two thousand seventeen, the applicable tax rates specified in  
53 subparagraph (B) of paragraph one of subsection (a) of this section  
54 shall be substituted for the rates referenced in these subparagraphs.

55 (A) The tax table benefit is the difference between (i) the amount of  
56 taxable income set forth in the tax table in paragraph one of subsection

1 (a) of this section not subject to the 6.45 percent rate of tax for the  
2 taxable year multiplied by such rate and (ii) the dollar denominated tax  
3 for such amount of taxable income set forth in the tax table applicable  
4 to the taxable year in paragraph one of subsection (a) of this section.  
5 The fraction for this subparagraph is computed as follows: the numerator  
6 is the lesser of fifty thousand dollars or the excess of New York  
7 adjusted gross income for the taxable year over one hundred thousand  
8 dollars and the denominator is fifty thousand dollars.

9 (B) The tax table benefit is the difference between (i) the amount of  
10 taxable income set forth in the tax table in paragraph one of subsection  
11 (a) of this section not subject to the 6.65 percent rate of tax for the  
12 taxable year multiplied by such rate and (ii) the dollar denominated tax  
13 for such amount of taxable income set forth in the tax table applicable  
14 to the taxable year in paragraph one of subsection (a) of this section  
15 less the tax table benefit in subparagraph (A) of this paragraph. The  
16 fraction for this subparagraph is computed as follows: the numerator is  
17 the lesser of fifty thousand dollars or the excess of New York adjusted  
18 gross income for the taxable year over one hundred fifty thousand  
19 dollars and the denominator is fifty thousand dollars. Provided, howev-  
20 er, this subparagraph shall not apply to taxpayers who are not subject  
21 to the 6.65 percent tax rate.

22 (C) The tax table benefit is the difference between (i) the amount of  
23 taxable income set forth in the tax table in paragraph one of subsection  
24 (a) of this section not subject to the 6.85 percent rate of tax for the  
25 taxable year multiplied by such rate and (ii) the dollar denominated tax  
26 for such amount of taxable income set forth in the tax table applicable  
27 to the taxable year in paragraph one of subsection (a) of this section  
28 less the sum of the tax table benefit in subparagraphs (A) and (B) of  
29 this paragraph. The fraction for this subparagraph is computed as  
30 follows: the numerator is the lesser of fifty thousand dollars or the  
31 excess of New York adjusted gross income for the taxable year over three  
32 hundred thousand dollars and the denominator is fifty thousand dollars.  
33 Provided, however, this subparagraph shall not apply to taxpayers who  
34 are not subject to the 6.85 percent tax rate.

35 (D) The tax table benefit is the difference between (i) the amount of  
36 taxable income set forth in the tax table in paragraph one of subsection  
37 (a) of this section not subject to the 9.85 percent rate of tax for the  
38 taxable year multiplied by such rate and (ii) the dollar denominated tax  
39 for such amount of taxable income set forth in the tax table applicable  
40 to the taxable year in paragraph one of subsection (a) of this section  
41 less the sum of the tax benefits in subparagraphs (A), (B), and (C) of  
42 this paragraph. The fraction for this subparagraph is computed as  
43 follows: the numerator is the lesser of fifty thousand dollars or the  
44 excess of New York adjusted gross income for the taxable year over two  
45 million dollars and the denominator is fifty thousand dollars. This  
46 subparagraph shall apply only to taxable years beginning on or after  
47 January first, two thousand twenty-one.

48 (E) The tax table benefit is the difference between (i) the amount of  
49 taxable income set forth in the tax table in paragraph one of subsection  
50 (a) of this section not subject to the 10.85 percent rate of tax for the  
51 taxable year multiplied by such rate and (ii) the dollar denominated tax  
52 for such amount of taxable income set forth in the tax table applicable  
53 to the taxable year in paragraph one of subsection (a) of this section  
54 less the sum of the tax benefits in subparagraphs (A), (B), (C), and (D)  
55 of this paragraph. The fraction for this subparagraph is computed as  
56 follows: the numerator is the lesser of fifty thousand dollars or the

1 excess of New York adjusted gross income for the taxable year over ten  
2 million dollars and the denominator is fifty thousand dollars. This  
3 subparagraph shall apply only to taxable years beginning on or after  
4 January first, two thousand twenty-one.

5 (F) The tax table benefit is the difference between (i) the amount of  
6 taxable income set forth in the tax table in paragraph one of subsection  
7 (a) of this section not subject to the 11.85 percent rate of tax for the  
8 taxable year multiplied by such rate and (ii) the dollar denominated tax  
9 for such amount of taxable income set forth in the tax table applicable  
10 to the taxable year in paragraph one of subsection (a) of this section  
11 less the sum of the tax table benefits in subparagraphs (A), (B), (C),  
12 (D), and (E) of this paragraph. The fraction for this subparagraph is  
13 computed as follows: the numerator is the lesser of fifty thousand  
14 dollars or the excess of New York adjusted gross income for the taxable  
15 year over fifty million dollars and the denominator is fifty thousand  
16 dollars. This subparagraph shall apply to taxable years beginning on or  
17 after January first, two thousand twenty-one.

18 (G) Provided, however, the total tax prior to the application of any  
19 tax credits shall not exceed the highest rate of tax set forth in the  
20 tax tables in subsection (a) of this section multiplied by the taxpay-  
21 er's taxable income.

22 (2) For resident heads of households, the supplemental tax shall be an  
23 amount equal to the sum of the tax table benefits described in subpara-  
24 graphs (A), (B), (C), (D), and (E) of this paragraph multiplied by their  
25 respective fractions in such subparagraphs. Furthermore, in making the  
26 calculations described in these subparagraphs in taxable years beginning  
27 after tax year two thousand seventeen, the applicable tax rates speci-  
28 fied in subparagraph (B) of paragraph one of subsection (b) of this  
29 section shall be substituted for the rates referenced in these subpara-  
30 graphs.

31 (A) The tax table benefit is the difference between (i) the amount of  
32 taxable income set forth in the tax table in paragraph one of subsection  
33 (b) of this section not subject to the 6.65 percent rate of tax for the  
34 taxable year multiplied by such rate and (ii) the dollar denominated tax  
35 for such amount of taxable income set forth in the tax table applicable  
36 to the taxable year in paragraph one of subsection (b) of this section.  
37 The fraction for this subparagraph is computed as follows: the numerator  
38 is the lesser of fifty thousand dollars or the excess of New York  
39 adjusted gross income for the taxable year over one hundred thousand  
40 dollars and the denominator is fifty thousand dollars.

41 (B) The tax table benefit is the difference between (i) the amount of  
42 taxable income set forth in the tax table in paragraph one of subsection  
43 (b) of this section not subject to the 6.85 percent rate of tax for the  
44 taxable year multiplied by such rate and (ii) the dollar denominated tax  
45 for such amount of taxable income set forth in the tax table applicable  
46 to the taxable year in paragraph one of subsection (b) of this section  
47 less the tax table benefit in subparagraph (A) of this paragraph. The  
48 fraction for this subparagraph is computed as follows: the numerator is  
49 the lesser of fifty thousand dollars or the excess of New York adjusted  
50 gross income for the taxable year over two hundred fifty thousand  
51 dollars and the denominator is fifty thousand dollars. Provided, howev-  
52 er, this subparagraph shall not apply to taxpayers who are not subject  
53 to the 6.85 percent tax rate.

54 (C) The tax table benefit is the difference between (i) the amount of  
55 taxable income set forth in the tax table in paragraph one of subsection  
56 (b) of this section not subject to the 9.85 percent rate of tax for the

1 taxable year multiplied by such rate and (ii) the dollar denominated tax  
2 for such amount of taxable income set forth in the tax table applicable  
3 to the taxable year in paragraph one of subsection (b) of this section  
4 less the sum of the tax benefits in subparagraphs (A) and (B) of this  
5 paragraph. The fraction for this subparagraph is computed as follows:  
6 the numerator is the lesser of fifty thousand dollars or the excess of  
7 New York adjusted gross income for the taxable year over one million  
8 five hundred thousand dollars and the denominator is fifty thousand  
9 dollars. This subparagraph shall apply only to taxable years beginning  
10 on or after January first, two thousand twenty-one.

11 (D) The tax table benefit is the difference between (i) the amount of  
12 taxable income set forth in the tax table in paragraph one of subsection  
13 (b) of this section not subject to the 10.85 percent rate of tax for the  
14 taxable year multiplied by such rate and (ii) the dollar denominated tax  
15 for such amount of taxable income set forth in the tax table applicable  
16 to the taxable year in paragraph one of subsection (b) of this section  
17 less the sum of the tax benefits in subparagraphs (A), (B), and (C) of  
18 this paragraph. The fraction for this subparagraph is computed as  
19 follows: the numerator is the lesser of fifty thousand dollars or the  
20 excess of New York adjusted gross income for the taxable year over seven  
21 million five hundred thousand dollars and the denominator is fifty thou-  
22 sand dollars. This subparagraph shall apply only to taxable years begin-  
23 ning on or after January first, two thousand twenty-one.

24 (E) The tax table benefit is the difference between (i) the amount of  
25 taxable income set forth in the tax table in paragraph one of subsection  
26 (b) of this section not subject to the 11.85 percent rate of tax for the  
27 taxable year multiplied by such rate and (ii) the dollar denominated tax  
28 for such amount of taxable income set forth in the tax table applicable  
29 to the taxable year in paragraph one of subsection (b) of this section  
30 less the sum of the tax table benefits in subparagraphs (A), (B), (C),  
31 and (D) of this paragraph. The fraction for this subparagraph is  
32 computed as follows: the numerator is the lesser of fifty thousand  
33 dollars or the excess of New York adjusted gross income for the taxable  
34 year over thirty-seven million five hundred thousand dollars and the  
35 denominator is fifty thousand dollars. This subparagraph shall apply to  
36 taxable years beginning on or after January first, two thousand twenty-  
37 one.

38 (F) Provided, however, the total tax prior to the application of any  
39 tax credits shall not exceed the highest rate of tax set forth in the  
40 tax tables in subsection (b) of this section multiplied by the taxpay-  
41 er's taxable income.

42 (3) For resident unmarried individuals, resident married individuals  
43 filing separate returns and resident estates and trusts, the supple-  
44 mental tax shall be an amount equal to the sum of the tax table benefits  
45 described in subparagraphs (A), (B), (C), (D), and (E) of this paragraph  
46 multiplied by their respective fractions in such subparagraphs. Further-  
47 more, in making the calculations described in these subparagraphs in  
48 taxable years beginning after tax year two thousand seventeen, the  
49 applicable tax rates specified in subparagraph (B) of paragraph one of  
50 subsection (c) of this section shall be substituted for the rates  
51 referenced in these subparagraphs.

52 (A) The tax table benefit is the difference between (i) the amount of  
53 taxable income set forth in the tax table in paragraph one of subsection  
54 (c) of this section not subject to the 6.65 percent rate of tax for the  
55 taxable year multiplied by such rate and (ii) the dollar denominated tax  
56 for such amount of taxable income set forth in the tax table applicable

1 to the taxable year in paragraph one of subsection (c) of this section.  
2 The fraction is computed as follows: the numerator is the lesser of  
3 fifty thousand dollars or the excess of New York adjusted gross income  
4 for the taxable year over one hundred thousand dollars and the denomina-  
5 tor is fifty thousand dollars.

6 (B) The tax table benefit is the difference between (i) the amount of  
7 taxable income set forth in the tax table in paragraph one of subsection  
8 (c) of this section not subject to the 6.85 percent rate of tax for the  
9 taxable year multiplied by such rate and (ii) the dollar denominated tax  
10 for such amount of taxable income set forth in the tax table applicable  
11 to the taxable year in paragraph one of subsection (c) of this section  
12 less the tax table benefit in subparagraph (A) of this paragraph. The  
13 fraction for this subparagraph is computed as follows: the numerator is  
14 the lesser of fifty thousand dollars or the excess of New York adjusted  
15 gross income for the taxable year over two hundred thousand dollars and  
16 the denominator is fifty thousand dollars. Provided, however, this  
17 subparagraph shall not apply to taxpayers who are not subject to the  
18 6.85 percent tax rate.

19 (C) The tax table benefit is the difference between (i) the amount of  
20 taxable income set forth in the tax table in paragraph one of subsection  
21 (c) of this section not subject to the 9.85 percent rate of tax for the  
22 taxable year multiplied by such rate and (ii) the dollar denominated tax  
23 for such amount of taxable income set forth in the tax table applicable  
24 to the taxable year in paragraph one of subsection (c) of this section  
25 less the sum of the tax benefits in subparagraphs (A) and (B) of this  
26 paragraph. The fraction for this subparagraph is computed as follows:  
27 the numerator is the lesser of fifty thousand dollars or the excess of  
28 New York adjusted gross income for the taxable year over one million  
29 dollars and the denominator is fifty thousand dollars. This subparagraph  
30 shall apply only to taxable years beginning on or after January first,  
31 two thousand twenty-one.

32 (D) The tax table benefit is the difference between (i) the amount of  
33 taxable income set forth in the tax table in paragraph one of subsection  
34 (c) of this section not subject to the 10.85 percent rate of tax for the  
35 taxable year multiplied by such rate and (ii) the dollar denominated tax  
36 for such amount of taxable income set forth in the tax table applicable  
37 to the taxable year in paragraph one of subsection (c) of this section  
38 less the sum of the tax benefits in subparagraphs (A), (B), and (C) of  
39 this paragraph. The fraction for this subparagraph is computed as  
40 follows: the numerator is the lesser of fifty thousand dollars or the  
41 excess of New York adjusted gross income for the taxable year over five  
42 million dollars and the denominator is fifty thousand dollars. This  
43 subparagraph shall apply only to taxable years beginning on or after  
44 January first, two thousand twenty-one.

45 (E) The tax table benefit is the difference between (i) the amount of  
46 taxable income set forth in the tax table in paragraph one of subsection  
47 (c) of this section not subject to the 11.85 percent rate of tax for  
48 the taxable year multiplied by such rate and (ii) the dollar denominated  
49 tax for such amount of taxable income set forth in the tax table appli-  
50 cable to the taxable year in paragraph one of subsection (c) of this  
51 section less the sum of the tax table benefits in subparagraphs (A),  
52 (B), (C), and (D) of this paragraph. The fraction for this subparagraph  
53 is computed as follows: the numerator is the lesser of fifty thousand  
54 dollars or the excess of New York adjusted gross income for the taxable  
55 year over twenty-five million dollars and the denominator is fifty

thousand dollars. This subparagraph shall apply to taxable years beginning on or after January first, two thousand twenty-one.

(F) Provided, however, the total tax prior to the application of any tax credits shall not exceed the highest rate of tax set forth in the tax tables in subsection (c) of this section multiplied by the taxpayer's taxable income.

§ 5. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after January 1, 2021 and shall apply to taxable years on and after such date.

PART B

Intentionally Omitted

PART C

Section 1. The tax law is amended by adding a new article 24-A to read as follows:

ARTICLE 24-A

PASS-THROUGH BUSINESS TAX

Section 860. Definitions.

861. Imposition and rate of tax.

862. Credits.

863. Payment of estimated tax.

864. Filing of return and payment of tax.

865. Accounting periods and methods.

866. Procedural provisions.

§ 860. Definitions. For purposes of this article:

(a) Affected partnership. Affected partnership means any partnership that has elected pursuant to subsection (b) of section eight hundred sixty-one of this article to be subject to the tax imposed by this article.

(b) Affected S corporation. Affected S corporation means any New York S corporation that has elected pursuant to subsection (b) of section eight hundred sixty-one of this article to be subject to the tax imposed by this article.

(c) Affected pass-through entity. Affected pass-through entity means any affected partnership or any affected S corporation.

(d) Lower-tier affected pass-through entity. A lower-tier affected pass-through entity means any affected pass-through entity in which an affected pass-through entity has a direct or indirect ownership interest.

(e) New York S corporation. New York S corporation means, with respect to any taxable year, any entity for which an election is in effect pursuant to subsection (a) of section six hundred sixty of this chapter, including any corporation for which such election has been deemed to have been made pursuant to the provisions of subsection (i) of section six hundred sixty of this chapter.

(f) Partnership. Partnership means any partnership as provided in section 7701(a)(2) of the Internal Revenue Code and the regulations promulgated thereunder. A partnership includes any limited liability company or other entity that is treated as a partnership for federal income tax purposes.

(g) Pass-through business net income or loss. Pass-through business net income or loss of an affected pass-through entity means the sepa-

1 rately and nonseparately computed items, as described in section 702(a)  
2 of the Internal Revenue Code with respect to a partnership or section  
3 1366 of the Internal Revenue Code with respect to an S corporation, of  
4 the affected pass-through entity, adjusted as follows:

5 (1) increased or decreased by any modification described in  
6 subsections (b), (c) or (d) of section six hundred twelve of this chap-  
7 ter, subsection (c) or paragraphs two or three of subsection (d) of  
8 section six hundred fifteen of this chapter;

9 (2) the portion of any of the affected pass-through entity's separately  
10 and nonseparately computed items that are allocable to nonresident  
11 individuals, trusts, or estates for purposes of article twenty-two of  
12 this chapter shall be excluded to the extent such portion is not derived  
13 from or connected with New York sources; and

14 (3) the affected pass-through entity's separately and nonseparately  
15 computed items that would otherwise be passed through to such entity  
16 from any lower-tier affected pass-through entity shall be excluded to  
17 the extent such items are taken into account in determining the tax paid  
18 by a lower-tier affected pass-through entity pursuant to section eight  
19 hundred sixty-one of this article.

20 For purposes of this subsection, the portion of any separately and  
21 nonseparately computed item that is not derived from or connected with  
22 New York sources shall be determined under regulations or guidance  
23 issued by the tax commission consistent with the applicable rules used  
24 to determine the portion of a taxpayer's distributive share of partner-  
25 ship income or pro rata share of New York S corporation income that is  
26 derived from New York sources pursuant to the rules set forth in section  
27 six hundred thirty-two of this chapter.

28 § 861. Imposition and rate of tax. (a) General. A tax is hereby  
29 imposed for each taxable year on the pass-through business net income of  
30 every affected pass-through entity doing business within this state.  
31 This tax shall be in addition to any other taxes imposed and shall be at  
32 the rate of 6.85 percent for each taxable year beginning on or after  
33 January first, two thousand twenty-one. In the case of an affected pass-  
34 through entity that is a partnership or a New York S corporation for  
35 only a portion of its taxable year, the affected partnership or affected  
36 S corporation shall be subject to this tax on only that portion of its  
37 pass-through business net income attributable to the portion of the year  
38 for which it is a partnership or a New York S corporation, as determined  
39 pursuant to regulations and guidance set forth by the commissioner.

40 (b) Election. Any partnership or New York S corporation may elect to  
41 have New York income tax imposed at the entity level under subsection  
42 (a) of this section. An election under this subsection shall be made on  
43 the pass-through entity business tax return for the affected pass-  
44 through entity in such manner as the commissioner may prescribe by regu-  
45 lation or instruction. An election under this subsection must be made on  
46 an annual basis and shall be effective for the affected pass-through  
47 entity only for the taxable year for which the election is made.

48 § 862. Credits. (a) General. An affected pass-through entity shall be  
49 allowed a credit against the tax otherwise due under this article for  
50 any income tax imposed for the taxable year by another state of the  
51 United States, a political subdivision of such state, the District of  
52 Columbia or a province of Canada, upon income both derived therefrom and  
53 included in the affected pass-through entity's pass-through business net  
54 income or loss under this article. The term "income tax imposed" in the  
55 previous sentence shall include: (1) any income tax imposed upon or  
56 payable by the affected pass-through entity itself, provided such tax

1 imposition or payment results from a tax that the commissioner deter-  
2 mines is substantially similar to the tax imposed by this article; and  
3 (2) any income tax imposed upon or payable by any direct or indirect  
4 partner or shareholder of the affected pass-through entity who is a  
5 resident individual, estate, or trust for purposes of article twenty-two  
6 of this chapter.

7 (b) Limitations. (1) The credit under this section shall not exceed  
8 the percentage of the tax otherwise due under this article determined by  
9 dividing the portion of the taxpayer's pass-through business net income  
10 that is subject to taxation by such other jurisdiction by the total  
11 amount of the taxpayer's pass-through business net income.

12 (2) The credit under this section shall not reduce the tax otherwise  
13 due under this article to an amount less than would have been due if the  
14 income subject to taxation by such other jurisdiction were excluded from  
15 the taxpayer's New York income.

16 (3) In the case of tax paid by a direct or indirect partner or share-  
17 holder that elects to claim the foreign tax credit for federal income  
18 tax purposes, the credit under this section for income tax imposed by a  
19 province of Canada shall be allowed for that portion of the provincial  
20 tax not claimed for federal purposes for the taxable year or a preceding  
21 taxable year, provided however, to the extent the provincial tax is  
22 claimed for federal purposes for a succeeding taxable year, the credit  
23 under this section must be added back in such succeeding taxable year.  
24 The provincial tax shall be deemed to be claimed last for federal income  
25 tax purposes and for purposes of this subsection.

26 § 863. Payment of estimated tax. (a) Definition of estimated tax.  
27 Estimated tax means the amount that an affected pass-through entity  
28 estimates to be the tax imposed for the current taxable year by section  
29 eight hundred sixty-one of this article.

30 (b) Annual estimated tax payment. The required annual estimated tax  
31 payment is the lesser of (1) ninety percent of the estimated tax for the  
32 year or (2) one hundred ten percent of the tax shown on the return of  
33 the affected pass-through entity for the preceding taxable year. If the  
34 affected pass-through entity was not in existence in the previous year  
35 or did not elect to be subject to the tax imposed by this article in the  
36 preceding year, then no estimated tax is due for the current taxable  
37 year.

38 (c) General. The annual estimated tax payment shall be paid as follows  
39 for an affected pass-through entity that reports on a calendar year  
40 basis:

41 (1) If such annual estimated tax payment can reasonably be expected to  
42 exceed one thousand dollars on or before March fifteenth of the taxable  
43 year, the annual estimated tax payment shall be paid in four equal  
44 installments on March fifteenth, June fifteenth, September fifteenth and  
45 December fifteenth;

46 (2) If such annual estimated tax payment can reasonably be expected to  
47 exceed one thousand dollars after March fifteenth and not after June  
48 fifteenth of the taxable year, the annual estimated tax payment shall be  
49 paid in three equal installments on June fifteenth, September fifteenth  
50 and December fifteenth;

51 (3) If such annual estimated tax payment can reasonably be expected to  
52 exceed one thousand dollars after June fifteenth and not after September  
53 fifteenth of the taxable year, the annual estimated tax payment shall be  
54 paid in two equal installments on September fifteenth and December  
55 fifteenth; and



1 (4) If such annual estimated tax payment can reasonably be expected to  
2 exceed one thousand dollars after September fifteenth of the taxable  
3 year, the annual estimated tax payment shall be paid on December  
4 fifteenth.

5 (d) This section shall apply to a taxable year of less than twelve  
6 months in accordance with procedures established by the commissioner.

7 (e) This section shall apply to a taxable year other than a calendar  
8 year by the substitution of the months of such fiscal year for the  
9 corresponding months specified in this section.

10 (f) An affected pass-through entity may elect to pay any installment  
11 of its estimated tax prior to the date prescribed for the payment there-  
12 of.

13 § 864. Filing of return and payment of tax. (a) General. On or before  
14 the fifteenth day of the fourth month following the close of the taxable  
15 year, each affected pass-through entity shall be required to transmit to  
16 the commissioner a return in a form prescribed by the commissioner.

17 (b) Information on return. Each affected pass-through entity shall  
18 report any tax due under this article on the face of such return and  
19 such other pertinent information as the commissioner may by regulations  
20 and instructions prescribe. The balance of any tax shown on the face of  
21 such return, not previously paid as installments of estimated tax, shall  
22 be paid with such return.

23 § 865. Accounting periods and methods. (a) Accounting periods. An  
24 affected pass-through entity's taxable year under this article shall be  
25 the same as the affected pass-through entity's taxable year for federal  
26 income tax purposes.

27 (b) Accounting methods. An affected pass-through entity's method of  
28 accounting under this article shall be the same as the affected pass-  
29 through entity's method of accounting for federal income tax purposes.

30 (c) Change of accounting period or method. (1) If an affected pass-  
31 through entity's taxable year or method of accounting is changed for  
32 federal income tax purposes, the taxable year or method of accounting  
33 for purposes of this article shall be similarly changed.

34 (2) If an affected pass-through entity's method of accounting is  
35 changed, any additional tax that results from adjustments determined to  
36 be necessary solely by reason of such change shall not be greater than  
37 if such adjustments were ratably allocated and included for the taxable  
38 year of the change and the preceding taxable years, not in excess of  
39 two, during which the affected partnership used the method of accounting  
40 from which the change is made.

41 § 866. Procedural provisions. (a) General. All procedural provisions  
42 of article twenty-two of this chapter will apply to the provisions of  
43 this article in the same manner and with the same force and effect as if  
44 the language of article twenty-two of this chapter had been incorporated  
45 in full into this article and had been specifically adjusted for and  
46 expressly referred to the tax imposed by this article, except to the  
47 extent that any provision is either inconsistent with a provision of  
48 this article or is not relevant to this article.

49 (b) Liability for tax. Only the affected pass-through entity shall be  
50 liable for the tax under this article, and no partner or shareholder  
51 that has a direct or indirect ownership interest in the affected pass-  
52 through entity shall be personally liable for such tax.

53 (c) Deposit and disposition of revenue. All taxes, interest, penal-  
54 ties, and fees collected or received by the commissioner under this  
55 article shall be deposited and disposed of pursuant to the provisions of  
56 section one hundred seventy-one-a of this chapter.

1 (d) Secrecy provision. All the provisions of subsection (a) of section  
2 six hundred ninety-seven of this chapter will be applied to the  
3 provisions of this article. Notwithstanding any provisions of this chap-  
4 ter to the contrary, the commissioner may disclose information and  
5 returns regarding the calculation and payment of the tax imposed by this  
6 article to an affected pass-through entity, to its lower-tiered affected  
7 pass-through entity or entities, and to any partner or shareholder that  
8 has a direct or indirect ownership interest in the affected pass-through  
9 entity and to which is allocable any separately or nonseparately  
10 computed items, as described in section 702(a) of the Internal Revenue  
11 Code with respect to a partnership or section 1366 of the Internal  
12 Revenue Code with respect to an S corporation.

13 § 2. The opening paragraph of paragraph (a) of subdivision 1 of  
14 section 210 of the tax law, as amended by section 10 of part T of chap-  
15 ter 59 of the laws of 2015, is amended to read as follows:

16 For taxable years beginning before January first, two thousand  
17 sixteen, the amount prescribed by this paragraph shall be computed at  
18 the rate of seven and one-tenth percent of the taxpayer's business  
19 income base. For taxable years beginning on or after January first, two  
20 thousand sixteen, the amount prescribed by this paragraph shall be six  
21 and one-half percent of the taxpayer's business income base. The taxpay-  
22 er's business income base shall mean the portion of the taxpayer's busi-  
23 ness income apportioned within the state as hereinafter provided. Howev-  
24 er, in the case of a small business taxpayer, as defined in paragraph  
25 (f) of this subdivision, the amount prescribed by this paragraph shall  
26 be computed pursuant to subparagraph (iv) of this paragraph and in the  
27 case of a manufacturer, as defined in subparagraph (vi) of this para-  
28 graph, the amount prescribed by this paragraph shall be computed pursu-  
29 ant to subparagraph (vi) of this paragraph, and, in the case of a quali-  
30 fied emerging technology company, as defined in subparagraph (vii) of  
31 this paragraph, the amount prescribed by this paragraph shall be  
32 computed pursuant to subparagraph (vii) of this paragraph. Notwith-  
33 standing the provisions of this paragraph, with respect to any taxpayer  
34 that has a direct or indirect ownership interest in one or more pass-  
35 through entities that has elected to be subject to tax pursuant to  
36 subsection (a) of section eight hundred sixty-one of this chapter,  
37 including any taxpayer that is a small business taxpayer, a manufactur-  
38 er, or a qualified emerging technology company, the taxpayer's business  
39 income base will be decreased by an amount equal to the product of (1)  
40 the sum of the portions of the taxpayer's distributive or pro rata share  
41 of each separately and nonseparately computed item as described in  
42 section 702(a) or section 1366 of the Internal Revenue Code that is  
43 derived from or connected with New York sources as computed pursuant to  
44 subsection (g) of section eight hundred sixty of this chapter that is  
45 being taken into account in determining the tax paid by an affected  
46 pass-through entity pursuant to subsection (a) of section eight hundred  
47 sixty-one of this chapter and (2) a fraction, the numerator of which is  
48 the tax rate imposed on affected pass-through entities by subsection (a)  
49 of section eight hundred sixty-one of this chapter and the denominator  
50 of which is the tax rate imposed on the business income base of the  
51 taxpayer pursuant to this paragraph. If the amount of the reduction  
52 allowable to the taxpayer under the previous sentence for any taxable  
53 year shall exceed the taxpayer's tax base for such year, the excess  
54 allowed for the taxable year may be carried over to the following year  
55 or years and may be used to reduce the taxpayer's tax base in such  
56 subsequent year or years.

1 § 3. Section 209-B of the tax law is amended by adding a new subdivi-  
2 sion 7 to read as follows:

3 7. In determining the amount of the surcharge to be imposed on a  
4 taxpayer pursuant to this section, the amount of such surcharge will be  
5 determined without taking into account any affected pass-through entity  
6 reduction computed pursuant to paragraph (a) of subdivision one of  
7 section two hundred ten of this chapter.

8 § 4. Subsection (a) of section 611 of the tax law, as amended by chap-  
9 ter 28 of the laws of 1987, is amended to read as follows:

10 (a) General. The New York taxable income of a resident individual  
11 shall be his New York adjusted gross income less his New York deduction  
12 and New York exemptions, as determined under this part. Notwithstanding  
13 the foregoing provision, with respect to any resident individual that  
14 has a direct or indirect ownership interest in one or more affected  
15 pass-through entities subject to the tax imposed pursuant to article  
16 twenty-four-A of this chapter, the resident individual's New York taxa-  
17 ble income shall be adjusted to exclude such individual's distributive  
18 or pro rata shares of each separately and nonseparately computed item,  
19 as described in section 702(a) of the Internal Revenue Code with respect  
20 to a partnership or section 1366 of the Internal Revenue Code with  
21 respect to an S corporation, from all affected pass-through entities in  
22 which the taxpayer has a direct or indirect ownership interest. If the  
23 amount of the adjustment made pursuant to the previous sentence shall  
24 exceed the resident individual's New York taxable income for such year,  
25 the excess allowed for the taxable year may be carried over to the  
26 following year or years and may be used to reduce the resident individ-  
27 ual's New York taxable income in such subsequent year or years.

28 § 5. Section 618 of the tax law is amended by adding a new subsection  
29 6 to read as follows:

30 (6) With respect to a resident estate or trust that has a direct or  
31 indirect ownership interest in one or more affected pass-through enti-  
32 ties subject to the tax imposed pursuant to article twenty-four-A of  
33 this chapter, the resident estate's or trust's New York taxable income  
34 shall be adjusted to exclude such estate's or trust's distributive or  
35 pro rata shares of each separately and nonseparately computed item, as  
36 described in section 702(a) of the Internal Revenue Code with respect to  
37 a partnership or section 1366 of the Internal Revenue Code with respect  
38 to an S corporation, from all affected pass-through entities in which  
39 the taxpayer has a direct or indirect ownership interest. If the amount  
40 of the adjustment made pursuant to the previous sentence shall exceed  
41 the estate's or the trust's New York taxable income for such year, the  
42 excess allowed for the taxable year may be carried over to the following  
43 year or years and may be used to reduce the estate's or trust's New York  
44 taxable income in such subsequent year or years.

45 § 6. Subsection (e) of section 601 of the tax law is amended by adding  
46 a new paragraph 5 to read as follows:

47 (5) Nonresident partners and shareholders in affected pass-through  
48 entities. Notwithstanding any other provision of this subsection, with  
49 respect to every nonresident and part-year resident individual and trust  
50 and every nonresident estate that has a direct or indirect ownership  
51 interest in one or more affected pass-through entities subject to the  
52 tax imposed pursuant to article twenty-four-A of this chapter, the tax  
53 imposed pursuant to paragraph one of this subsection shall be an amount  
54 equal to the sum of the modified tax base and the surtax tax base multi-  
55 plied by their respective applicable New York source fractions.

1 (A) Modified tax base. The modified tax base of a taxpayer under this  
2 paragraph shall be calculated in the same manner as the tax base in  
3 paragraph two of this subsection, except that, notwithstanding  
4 subsection (a) of section six hundred eleven or subsection six of  
5 section six hundred eighteen of this article, separately and nonsepa-  
6 rately computed items with respect to such affected pass-through enti-  
7 ties shall not be excluded, and the rate tables under subsections (a),  
8 (b) and (c) and the supplemental tax under subsection (d-1) of this  
9 section shall be applied by reducing each tax rate in excess of 6.85% to  
10 6.85%, and adjusting each tax table accordingly. The applicable New York  
11 source fraction for the modified tax base shall be calculated in the  
12 same manner as the New York source fraction under paragraph three of  
13 this subsection, including the exclusion of separately and nonseparately  
14 computed items with respect to such affected pass-through entities under  
15 subsection (a) of section six hundred eleven or subsection six of  
16 section six hundred eighteen of this article, as applicable, in calcu-  
17 lating the numerator of such fraction. If the amount of such separately  
18 and nonseparately computed items so excluded exceeds the numerator of  
19 the New York source fraction for such year before such exclusion, the  
20 excess may be carried over to the following year or years and may be  
21 used to reduce the numerator of the taxpayer's applicable New York  
22 source fraction under this subparagraph for such taxable years.

23 (B) Surtax tax base. The surtax tax base of a taxpayer under this  
24 paragraph shall be equal to the portion of the taxpayer's New York taxa-  
25 ble income to which the 8.82% rate would have applied in computing the  
26 taxpayer's modified tax base under the preceding subparagraph (after  
27 taking into account the tax table benefit recapture provisions under  
28 subsection (d-1) of this section) if the tax rate had not been capped at  
29 6.85% under that subparagraph multiplied by a factor of 1.97%. The  
30 applicable New York source fraction for the surtax tax base shall be  
31 calculated in the same manner as the New York source fraction under  
32 paragraph three of this subsection, except that separately and nonsepa-  
33 rately computed items with respect to such affected pass-through enti-  
34 ties shall not be excluded in calculating the numerator of such frac-  
35 tion.

36 § 7. Section 606 of the tax law is amended by adding a new subsection  
37 (kkk) to read as follows:

38 (kkk) Taxpayers with direct or indirect ownership interests in  
39 affected pass-through entities. Notwithstanding the other provisions of  
40 this subsection, a taxpayer that has a direct or indirect ownership  
41 interest in an affected pass-through entity that is subject to tax  
42 pursuant to article twenty-four-A of this chapter is not entitled to  
43 claim a credit otherwise provided by this section to the extent that the  
44 credit was claimed by the affected pass-through entity for purposes of  
45 determining its tax liability under article twenty-four-A of this chap-  
46 ter.

47 § 8. Subsection (d) of section 620 of the tax law, as added by chapter  
48 166 of the laws of 1991, is amended to read as follows:

49 (d) S corporation shareholders and partners. In the case of a share-  
50 holder of an S corporation, the term "income tax" in subsection (a) of  
51 this section shall [~~not~~] include (1) any such tax imposed upon or paya-  
52 ble by the [~~corporation, but shall include any such tax~~] shareholder  
53 with respect to the income of the corporation [~~imposed upon or payable~~  
54 ~~by the shareholder~~], without regard to whether an election independent  
55 of the federal S election was required to effect such imposition upon  
56 the shareholder of such S corporation and (2) such shareholder's pro

1 rata share of any such tax imposed upon or payable by the corporation,  
2 provided such tax imposition or payment results from a tax that the  
3 commissioner determines is substantially similar to the tax imposed by  
4 article twenty-four-A of this chapter. In the case of a partner in a  
5 partnership, the term "income tax" in subsection (a) of this section  
6 shall (1) include any such tax imposed upon or payable by the partner  
7 with respect to the income of the partnership and (2) such partner's  
8 distributive share of any such tax imposed upon or payable by the part-  
9 nership, provided such tax imposition or payment results from a tax that  
10 the commissioner determines is substantially similar to the tax imposed  
11 by article twenty-four-A of this chapter.

12 § 9. Section 620 of the tax law is amended by adding a new subsection  
13 (e) to read as follows:

14 (e) Taxpayers with direct or indirect ownership interests in affected  
15 pass-through entities. Notwithstanding the other provisions of this  
16 section, a taxpayer that has a direct or indirect ownership interest in  
17 an affected pass-through entity that is subject to tax pursuant to arti-  
18 cle twenty-four-A of this chapter is not entitled to claim a credit  
19 otherwise provided by this section to the extent that any income tax is  
20 claimed as a credit pursuant to section eight hundred sixty-two of this  
21 chapter by the affected pass-through entity for purposes of determining  
22 its tax liability under article twenty-four-A of this chapter.

23 § 10. Subparagraph (A) of paragraph 4 of subsection (c) of section 658  
24 of the tax law, as amended by section 72 of part A of chapter 59 of the  
25 laws of 2014, is amended to read as follows:

26 (A) General. Every entity other than an entity subject to tax under  
27 article twenty-four-A of this chapter, which is a partnership, other  
28 than a publicly traded partnership as defined in section 7704 of the  
29 federal Internal Revenue Code, subchapter K limited liability company or  
30 an S corporation for which the election provided for in subsection (a)  
31 of section six hundred sixty of this part is in effect, which has part-  
32 ners, members or shareholders who are nonresident individuals, as  
33 defined under subsection (b) of section six hundred five of this arti-  
34 cle, or C corporations, and which has any income derived from New York  
35 sources, determined in accordance with the applicable rules of section  
36 six hundred thirty-one of this article as in the case of a nonresident  
37 individual, shall pay estimated tax on such income on behalf of such  
38 partners, members or shareholders in the manner and at the times  
39 prescribed by subsection (c) of section six hundred eighty-five of this  
40 article. For purposes of this paragraph, the term "estimated tax" shall  
41 mean a partner's, member's or shareholder's distributive share or pro  
42 rata share of the entity income derived from New York sources, multi-  
43 plied by the highest rate of tax prescribed by section six hundred one  
44 of this article for the taxable year of any partner, member or share-  
45 holder who is an individual taxpayer, or paragraph (a) of subdivision  
46 one of section two hundred ten of this chapter for the taxable year of  
47 any partner, member or shareholder which is a C corporation, whether or  
48 not such C corporation is subject to tax under article nine, nine-A or  
49 thirty-three of this chapter, and reduced by the distributive share or  
50 pro rata share of any credits determined under section one hundred  
51 eighty-seven, one hundred eighty-seven-a, six hundred six or fifteen  
52 hundred eleven of this chapter, whichever is applicable, derived from  
53 the entity.

54 § 11. Section 612 of the tax law is amended by adding a new subsection  
55 (y) to read as follows:

1 (y) The election by a partnership or S corporation pursuant to  
2 subsection (b) of section eight hundred sixty-one of this chapter shall  
3 have no impact on the additions and subtractions to be taken into  
4 account under subsection (n) of this section and such election shall  
5 have no impact on the determination of the basis of a partner or share-  
6 holder in an interest in the partnership or in the stock or indebtedness  
7 of the S corporation.

8 § 12. Subdivision 1 of section 171-a of the tax law, as amended by  
9 section 3 of part XX of chapter 59 of the laws of 2019, is amended to  
10 read as follows:

11 1. All taxes, interest, penalties and fees collected or received by  
12 the commissioner or the commissioner's duly authorized agent under arti-  
13 cles nine (except section one hundred eighty-two-a thereof and except as  
14 otherwise provided in section two hundred five thereof), nine-A,  
15 twelve-A (except as otherwise provided in section two hundred eighty-  
16 four-d thereof), thirteen, thirteen-A (except as otherwise provided in  
17 section three hundred twelve thereof), eighteen, nineteen, twenty  
18 (except as otherwise provided in section four hundred eighty-two there-  
19 of), twenty-B, twenty-D, twenty-one, twenty-two, [~~twenty-four~~] twenty-  
20 four-A, twenty-six, twenty-eight (except as otherwise provided in  
21 section eleven hundred two or eleven hundred three thereof),  
22 twenty-eight-A, twenty-nine-B, thirty-one (except as otherwise provided  
23 in section fourteen hundred twenty-one thereof), thirty-three and thir-  
24 ty-three-A of this chapter shall be deposited daily in one account with  
25 such responsible banks, banking houses or trust companies as may be  
26 designated by the comptroller, to the credit of the comptroller. Such an  
27 account may be established in one or more of such depositories. Such  
28 deposits shall be kept separate and apart from all other money in the  
29 possession of the comptroller. The comptroller shall require adequate  
30 security from all such depositories. Of the total revenue collected or  
31 received under such articles of this chapter, the comptroller shall  
32 retain in the comptroller's hands such amount as the commissioner may  
33 determine to be necessary for refunds or reimbursements under such arti-  
34 cles of this chapter out of which amount the comptroller shall pay any  
35 refunds or reimbursements to which taxpayers shall be entitled under the  
36 provisions of such articles of this chapter. The commissioner and the  
37 comptroller shall maintain a system of accounts showing the amount of  
38 revenue collected or received from each of the taxes imposed by such  
39 articles. The comptroller, after reserving the amount to pay such  
40 refunds or reimbursements, shall, on or before the tenth day of each  
41 month, pay into the state treasury to the credit of the general fund all  
42 revenue deposited under this section during the preceding calendar month  
43 and remaining to the comptroller's credit on the last day of such  
44 preceding month, (i) except that the comptroller shall pay to the state  
45 department of social services that amount of overpayments of tax imposed  
46 by article twenty-two of this chapter and the interest on such amount  
47 which is certified to the comptroller by the commissioner as the amount  
48 to be credited against past-due support pursuant to subdivision six of  
49 section one hundred seventy-one-c of this article, (ii) and except that  
50 the comptroller shall pay to the New York state higher education  
51 services corporation and the state university of New York or the city  
52 university of New York respectively that amount of overpayments of tax  
53 imposed by article twenty-two of this chapter and the interest on such  
54 amount which is certified to the comptroller by the commissioner as the  
55 amount to be credited against the amount of defaults in repayment of  
56 guaranteed student loans and state university loans or city university

1 loans pursuant to subdivision five of section one hundred seventy-one-d  
2 and subdivision six of section one hundred seventy-one-e of this arti-  
3 cle, (iii) and except further that, notwithstanding any law, the comp-  
4 troller shall credit to the revenue arrearage account, pursuant to  
5 section ninety-one-a of the state finance law, that amount of overpay-  
6 ment of tax imposed by article nine, nine-A, twenty-two, thirty, thir-  
7 ty-A, thirty-B or thirty-three of this chapter, and any interest there-  
8 on, which is certified to the comptroller by the commissioner as the  
9 amount to be credited against a past-due legally enforceable debt owed  
10 to a state agency pursuant to paragraph (a) of subdivision six of  
11 section one hundred seventy-one-f of this article, provided, however, he  
12 shall credit to the special offset fiduciary account, pursuant to  
13 section ninety-one-c of the state finance law, any such amount credita-  
14 ble as a liability as set forth in paragraph (b) of subdivision six of  
15 section one hundred seventy-one-f of this article, (iv) and except  
16 further that the comptroller shall pay to the city of New York that  
17 amount of overpayment of tax imposed by article nine, nine-A, twenty-  
18 two, thirty, thirty-A, thirty-B or thirty-three of this chapter and any  
19 interest thereon that is certified to the comptroller by the commis-  
20 sioner as the amount to be credited against city of New York tax warrant  
21 judgment debt pursuant to section one hundred seventy-one-l of this  
22 article, (v) and except further that the comptroller shall pay to a  
23 non-obligated spouse that amount of overpayment of tax imposed by arti-  
24 cle twenty-two of this chapter and the interest on such amount which has  
25 been credited pursuant to section one hundred seventy-one-c, one hundred  
26 seventy-one-d, one hundred seventy-one-e, one hundred seventy-one-f or  
27 one hundred seventy-one-l of this article and which is certified to the  
28 comptroller by the commissioner as the amount due such non-obligated  
29 spouse pursuant to paragraph six of subsection (b) of section six  
30 hundred fifty-one of this chapter; and (vi) the comptroller shall deduct  
31 a like amount which the comptroller shall pay into the treasury to the  
32 credit of the general fund from amounts subsequently payable to the  
33 department of social services, the state university of New York, the  
34 city university of New York, or the higher education services corpo-  
35 ration, or the revenue arrearage account or special offset fiduciary  
36 account pursuant to section ninety-one-a or ninety-one-c of the state  
37 finance law, as the case may be, whichever had been credited the amount  
38 originally withheld from such overpayment, and (vii) with respect to  
39 amounts originally withheld from such overpayment pursuant to section  
40 one hundred seventy-one-l of this article and paid to the city of New  
41 York, the comptroller shall collect a like amount from the city of New  
42 York.

43 § 13. Section 601 of the tax law is amended by adding a new subsection  
44 (j) to read as follows:

45 (j) For every resident individual, estate or trust that has a direct  
46 or indirect ownership interest in one or more pass-through entities that  
47 has elected to be subject to tax pursuant to subsection (a) of section  
48 eight hundred sixty-one of this chapter, there is hereby imposed for  
49 each taxable year a surtax at the rate of 1.97% on the amount by which  
50 the portion of such individual's, estate's or trust's New York taxable  
51 income subject to tax at the rate of 8.82% would increase if the resi-  
52 dent individual's, estate's or trust's New York taxable income was  
53 adjusted to add back such individual's, estate's or trust's distributive  
54 or pro rata shares of separately or nonseparately computed items from  
55 such pass-through entities.

1 § 14. Paragraph 1 of subsection (e) of section 601 of the tax law, as  
 2 amended by chapter 170 of the laws of 1994, is amended to read as  
 3 follows:

4 (1) General. [~~There~~] Except as provided in paragraph five of this  
 5 subsection, there is hereby imposed for each taxable year on the taxable  
 6 income which is derived from sources in this state of every nonresident  
 7 and part-year resident individual and trust and every nonresident estate  
 8 a tax which shall be equal to the tax base multiplied by the New York  
 9 source fraction.

10 § 15. This act shall take effect immediately and shall apply for  
 11 taxable years beginning on or after January 1, 2021; provided, however  
 12 that the amendments to subdivision 1 of section 171-a of the tax law  
 13 made by section twelve of this act shall not affect the expiration of  
 14 such subdivision and shall be deemed to expire therewith.

15 PART D

16 Section 1. Section 352 of the economic development law is amended by  
 17 adding two new subdivisions 5-a and 13-a to read as follows:

18 5-a. "Child care services" means those services undertaken or spon-  
 19 sored by a participant in this program meeting the requirements of  
 20 "child day care" as defined in paragraph (a) of subdivision one of  
 21 section three hundred ninety of the social services law or any child  
 22 care services in the city of New York whereby a permit to operate such  
 23 child care services is required pursuant to the health code of the city  
 24 of New York.

25 13-a. "Net new child care services expenditures" means the calculation  
 26 of new, annual participant expenditures on child care services whether  
 27 internal or provided by a third party (including coverage for full or  
 28 partial discount of employee rates), minus any revenues received by the  
 29 participant through a third-party operator (i.e. rent paid to the  
 30 participant by the child care provider) or employees and may be further  
 31 defined by the commissioner in regulations. For the purposes of this  
 32 definition, expenditures for child care services that a participant has  
 33 incurred prior to admission to this program shall not be eligible for  
 34 the credit.

35 § 2. Paragraphs (k) and (l) of subdivision 1 of section 353 of the  
 36 economic development law, as amended by section 2 of part L of chapter  
 37 59 of the laws of 2020, are amended and a new paragraph (m) is added to  
 38 read as follows:

39 (k) as a life sciences company; [~~or~~]

40 (l) as a company operating in one of the industries listed in para-  
 41 graphs (b) through (e) of this subdivision and engaging in a green  
 42 project as defined in section three hundred fifty-two of this  
 43 article~~[-]~~; or

44 (m) as a participant operating in one of the industries listed in  
 45 paragraphs (a) through (k) of this subdivision and operating or sponsor-  
 46 ing child care services to its employees as defined in section three  
 47 hundred fifty-two of this article.

48 § 3. Subdivisions 2 and 6 of section 355 of the economic development  
 49 law, subdivision 2 as amended by section 4 of part L of chapter 59 of  
 50 the laws of 2020 and subdivision 6 as amended by section 4 of part K of  
 51 chapter 59 of the laws of 2015, are amended and a new subdivision 2-a is  
 52 added to read as follows:

53 2. Excelsior investment tax credit component. A participant in the  
 54 excelsior jobs program shall be eligible to claim a credit on qualified



1 investments. In a project that is not a green project, the credit shall  
2 be equal to two percent of the cost or other basis for federal income  
3 tax purposes of the qualified investment. In a green project, the credit  
4 shall be equal to five percent of the cost or other basis for federal  
5 income tax purposes of the qualified investment. In a project for child  
6 care services, the credit shall be equal to five percent of the cost or  
7 other basis for federal income tax purposes of the qualified investment  
8 in child care services. A participant may not claim both the excelsior  
9 investment tax credit component and the investment tax credit set forth  
10 in subdivision one of section two hundred ten-B, subsection (a) of  
11 section six hundred six, the former subsection (i) of section fourteen  
12 hundred fifty-six, or subdivision (q) of section fifteen hundred eleven  
13 of the tax law for the same property in any taxable year, except that a  
14 participant may claim both the excelsior investment tax credit component  
15 and the investment tax credit for research and development property. In  
16 addition, a taxpayer who or which is qualified to claim the excelsior  
17 investment tax credit component and is also qualified to claim the  
18 brownfield tangible property credit component under section twenty-one  
19 of the tax law may claim either the excelsior investment tax credit  
20 component or such tangible property credit component, but not both with  
21 regard to a particular piece of property. A credit may not be claimed  
22 until a business enterprise has received a certificate of tax credit,  
23 provided that qualified investments made on or after the issuance of the  
24 certificate of eligibility but before the issuance of the certificate of  
25 tax credit to the business enterprise, may be claimed in the first taxa-  
26 ble year for which the business enterprise is allowed to claim the cred-  
27 it. Expenses incurred prior to the date the certificate of eligibility  
28 is issued are not eligible to be included in the calculation of the  
29 credit.

30 2-a. Excelsior child care services tax credit component. A participant  
31 engaging in a new excelsior jobs program project shall be eligible to  
32 claim a credit on its net new child care services expenditures for its  
33 operation, sponsorship or direct financial support of a child care  
34 services program. The credit shall be equal to six percent of the net  
35 new child care services expenditures as defined in this chapter.

36 6. Claim of tax credit. The business enterprise shall be allowed to  
37 claim the credit as prescribed in section thirty-one of the tax law. No  
38 costs used by an entertainment company as the basis for the allowance of  
39 a tax credit described in this section shall be used by such enter-  
40 tainment company to claim any other credit allowed pursuant to the tax  
41 law. No costs or expenditures for child care services used by a partic-  
42 ipant to claim the credit as prescribed in section forty-four of the tax  
43 law shall be used for the allowance of a tax credit described in this  
44 section.

45 § 3-a. Section 358 of the economic development law is amended by  
46 adding two new subdivisions 3 and 4 to read as follows:

47 3. Beginning June thirtieth, two thousand twenty-one, and every three  
48 months thereafter, the quarterly report shall also include: the number  
49 of projects receiving the child care services program tax credit; the  
50 number of projects claiming the investment credit for child care  
51 services expenditures; the number of employees provided child care  
52 services due to the credits; and the number of children being served by  
53 these child care services.

54 4. The commissioner shall submit to the governor, the temporary pres-  
55 ident of the senate, and the speaker of the assembly, an annual report  
56 to be submitted on February first of each year evaluating the effec-

tiveness of the excelsior jobs program. The report shall include, but not be limited to, the following: an annual compilation of the information included in the quarterly reports issued under subdivisions two and three of this section; the amount of credits allocated per net new job created; the total number of applicants to the program annually; the number of applicants denied credits; data on the number of participants and net new jobs per economic development region; and such other information as the commissioner determines. This annual report shall also be posted on the department's website.

§ 4. Subdivision (a) of section 31 of the tax law is amended by adding a new paragraph 2-a to read as follows:

(2-a) the excelsior child care services tax credit component;

§ 5. Subdivision (a) of section 44 of the tax law, as added by section 1 of part L of chapter 59 of the laws of 2019, is amended to read as follows:

(a) General. A taxpayer subject to tax under article nine-A, twenty-two, or thirty-three of this chapter shall be allowed a credit against such tax in an amount equal to two hundred percent of the portion of the credit that is allowed to the taxpayer under section 45F of the internal revenue code that is attributable to (i) qualified child care expenditures paid or incurred with respect to a qualified child care facility with a situs in the state, and to (ii) qualified child care resource and referral expenditures paid or incurred with respect to the taxpayer's employees working in the state. The credit allowable under this subdivision for any taxable year shall not exceed [~~one hundred fifty~~] five hundred thousand dollars. If the entity operating the qualified child care facility is a partnership or a New York S corporation, then such cap shall be applied at the entity level, so the aggregate credit allowed to all the partners or shareholders of such entity in a taxable year does not exceed [~~one hundred fifty~~] five hundred thousand dollars.

§ 6. This act shall take effect immediately; provided, however, section five of this act shall apply to taxable years beginning on or after January 1, 2022.

#### PART E

Section 1. Paragraph (b) of subdivision 2 of section 184 of the tax law, as amended by chapter 485 of the laws of 1988, is amended to read as follows:

(b) (1) A corporation classed as a "taxicab" or "omnibus",

(i) which is organized, incorporated or formed under the laws of any other state, country or sovereignty, and

(ii) which neither owns nor leases property in this state in a corporate or organized capacity, nor

(iii) maintains an office in this state in a corporate or organized capacity, but

(iv) which is doing business or employing capital in this state by conducting at least one but fewer than twelve trips into this state during the calendar year, shall [~~annually pay a tax equal to fifteen dollars for each trip conducted into this state~~] not be taxed under the provisions of this article. If the only property a corporation owns or leases in this state is a vehicle or vehicles used to conduct trips, it shall not be considered, for purposes of clause (ii) of this subparagraph, to be owning or leasing property in this state.

(2) [~~The commissioner of taxation and finance may prescribe such forms as he may deem necessary to report such tax in a simplified manner.~~]

1 ~~(3)~~] For purposes of this subdivision, a corporation classed as a  
2 "taxicab" or "omnibus" shall be considered to be conducting a trip into  
3 New York state when one of its vehicles enters New York state and trans-  
4 ports passengers to, from, or to and from a location in New York state.  
5 A corporation shall not be considered to be conducting a trip into New  
6 York state if its vehicle only makes incidental stops at locations in  
7 the state while in transit from a location outside New York state to  
8 another location outside New York state. The number of trips a corpo-  
9 ration conducts into New York state shall be calculated by determining  
10 the number of trips each vehicle owned, leased or operated by the corpo-  
11 ration conducts into New York state and adding those numbers together.

12 [~~(4) Provided, however, that the provisions of this paragraph shall~~  
13 ~~not apply to any corporation which does not file its franchise tax~~  
14 ~~report in a timely manner (determined with regard to any extension of~~  
15 ~~time for filing).~~]

16 § 2. This act shall take effect immediately, provided, however, that  
17 section one of this act shall apply to taxable years beginning on or  
18 after January 1, 2021.

19

## PART F

20 Section 1. Paragraph 5 of subdivision (a) of section 24 of the tax  
21 law, as amended by section 5-a of part M of chapter 59 of the laws of  
22 2020, is amended to read as follows:

23 (5) For the period two thousand fifteen through two thousand [~~twenty-~~  
24 ~~five]~~ **twenty-six**, in addition to the amount of credit established in  
25 paragraph two of this subdivision, a taxpayer shall be allowed a credit  
26 equal to the product (or pro rata share of the product, in the case of a  
27 member of a partnership) of ten percent and the amount of wages or sala-  
28 ries paid to individuals directly employed (excluding those employed as  
29 writers, directors, music directors, producers and performers, including  
30 background actors with no scripted lines) by a qualified film production  
31 company or a qualified independent film production company for services  
32 performed by those individuals in one of the counties specified in this  
33 paragraph in connection with a qualified film with a minimum budget of  
34 five hundred thousand dollars. For purposes of this additional credit,  
35 the services must be performed in one or more of the following counties:  
36 Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung,  
37 Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex,  
38 Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis,  
39 Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga,  
40 Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga,  
41 Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sulli-  
42 van, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or  
43 Yates. The aggregate amount of tax credits allowed pursuant to the  
44 authority of this paragraph shall be five million dollars each year  
45 during the period two thousand fifteen through two thousand [~~twenty-~~  
46 ~~five]~~ **twenty-six** of the annual allocation made available to the program  
47 pursuant to paragraph four of subdivision (e) of this section. Such  
48 aggregate amount of credits shall be allocated by the governor's office  
49 for motion picture and television development among taxpayers in order  
50 of priority based upon the date of filing an application for allocation  
51 of film production credit with such office. If the total amount of  
52 allocated credits applied for under this paragraph in any year exceeds  
53 the aggregate amount of tax credits allowed for such year under this  
54 paragraph, such excess shall be treated as having been applied for on

1 the first day of the next year. If the total amount of allocated tax  
2 credits applied for under this paragraph at the conclusion of any year  
3 is less than five million dollars, the remainder shall be treated as  
4 part of the annual allocation made available to the program pursuant to  
5 paragraph four of subdivision (e) of this section. However, in no event  
6 may the total of the credits allocated under this paragraph and the  
7 credits allocated under paragraph five of subdivision (a) of section  
8 thirty-one of this article exceed five million dollars in any year  
9 during the period two thousand fifteen through two thousand [~~twenty-~~  
10 ~~five~~] twenty-six.

11 § 2. Paragraph 4 of subdivision (e) of section 24 of the tax law, as  
12 amended by section 5-b of part M of chapter 59 of the laws of 2020, is  
13 amended to read as follows:

14 (4) Additional pool 2 - The aggregate amount of tax credits allowed in  
15 subdivision (a) of this section shall be increased by an additional four  
16 hundred twenty million dollars in each year starting in two thousand ten  
17 through two thousand [~~twenty-five~~] twenty-six provided however, seven  
18 million dollars of the annual allocation shall be available for the  
19 empire state film post production credit pursuant to section thirty-one  
20 of this article in two thousand thirteen and two thousand fourteen,  
21 twenty-five million dollars of the annual allocation shall be available  
22 for the empire state film post production credit pursuant to section  
23 thirty-one of this article in each year starting in two thousand fifteen  
24 through two thousand [~~twenty-five~~] twenty-six and five million dollars  
25 of the annual allocation shall be made available for the television  
26 writers' and directors' fees and salaries credit pursuant to section  
27 twenty-four-b of this article in each year starting in two thousand  
28 twenty through two thousand [~~twenty-five~~] twenty-six. This amount shall  
29 be allocated by the governor's office for motion picture and television  
30 development among taxpayers in accordance with subdivision (a) of this  
31 section. If the commissioner of economic development determines that the  
32 aggregate amount of tax credits available from additional pool 2 for the  
33 empire state film production tax credit have been previously allocated,  
34 and determines that the pending applications from eligible applicants  
35 for the empire state film post production tax credit pursuant to section  
36 thirty-one of this article is insufficient to utilize the balance of  
37 unallocated empire state film post production tax credits from such  
38 pool, the remainder, after such pending applications are considered,  
39 shall be made available for allocation in the empire state film tax  
40 credit pursuant to this section, subdivision twenty of section two  
41 hundred ten-B and subsection (gg) of section six hundred six of this  
42 chapter. Also, if the commissioner of economic development determines  
43 that the aggregate amount of tax credits available from additional pool  
44 2 for the empire state film post production tax credit have been previ-  
45 ously allocated, and determines that the pending applications from  
46 eligible applicants for the empire state film production tax credit  
47 pursuant to this section is insufficient to utilize the balance of unal-  
48 located film production tax credits from such pool, then all or part of  
49 the remainder, after such pending applications are considered, shall be  
50 made available for allocation for the empire state film post production  
51 credit pursuant to this section, subdivision thirty-two of section two  
52 hundred ten-B and subsection (qq) of section six hundred six of this  
53 chapter. The governor's office for motion picture and television devel-  
54 opment must notify taxpayers of their allocation year and include the  
55 allocation year on the certificate of tax credit. Taxpayers eligible to  
56 claim a credit must report the allocation year directly on their empire

1 state film production credit tax form for each year a credit is claimed  
2 and include a copy of the certificate with their tax return. In the case  
3 of a qualified film that receives funds from additional pool 2, no  
4 empire state film production credit shall be claimed before the later of  
5 the taxable year the production of the qualified film is complete, or  
6 the taxable year immediately following the allocation year for which the  
7 film has been allocated credit by the governor's office for motion  
8 picture and television development.

9 § 3. Paragraph 4 of subdivision (e) of section 24 of the tax law, as  
10 amended by section 2 of part SSS of chapter 59 of the laws of 2019, is  
11 amended to read as follows:

12 (4) Additional pool 2 - The aggregate amount of tax credits allowed in  
13 subdivision (a) of this section shall be increased by an additional four  
14 hundred twenty million dollars in each year starting in two thousand ten  
15 through two thousand [~~twenty-four~~ **twenty-six**] provided however, seven  
16 million dollars of the annual allocation shall be available for the  
17 empire state film post production credit pursuant to section thirty-one  
18 of this article in two thousand thirteen and two thousand fourteen and  
19 twenty-five million dollars of the annual allocation shall be available  
20 for the empire state film post production credit pursuant to section  
21 thirty-one of this article in each year starting in two thousand fifteen  
22 through two thousand [~~twenty-four~~ **twenty-six**]. This amount shall be  
23 allocated by the governor's office for motion picture and television  
24 development among taxpayers in accordance with subdivision (a) of this  
25 section. If the commissioner of economic development determines that the  
26 aggregate amount of tax credits available from additional pool 2 for the  
27 empire state film production tax credit have been previously allocated,  
28 and determines that the pending applications from eligible applicants  
29 for the empire state film post production tax credit pursuant to section  
30 thirty-one of this article is insufficient to utilize the balance of  
31 unallocated empire state film post production tax credits from such  
32 pool, the remainder, after such pending applications are considered,  
33 shall be made available for allocation in the empire state film tax  
34 credit pursuant to this section, subdivision twenty of section two  
35 hundred ten-B and subsection (gg) of section six hundred six of this  
36 chapter. Also, if the commissioner of economic development determines  
37 that the aggregate amount of tax credits available from additional pool  
38 2 for the empire state film post production tax credit have been previ-  
39 ously allocated, and determines that the pending applications from  
40 eligible applicants for the empire state film production tax credit  
41 pursuant to this section is insufficient to utilize the balance of unal-  
42 located film production tax credits from such pool, then all or part of  
43 the remainder, after such pending applications are considered, shall be  
44 made available for allocation for the empire state film post production  
45 credit pursuant to this section, subdivision thirty-two of section two  
46 hundred ten-B and subsection (qq) of section six hundred six of this  
47 chapter. The governor's office for motion picture and television devel-  
48 opment must notify taxpayers of their allocation year and include the  
49 allocation year on the certificate of tax credit. Taxpayers eligible to  
50 claim a credit must report the allocation year directly on their empire  
51 state film production credit tax form for each year a credit is claimed  
52 and include a copy of the certificate with their tax return. In the case  
53 of a qualified film that receives funds from additional pool 2, no  
54 empire state film production credit shall be claimed before the later of  
55 the taxable year the production of the qualified film is complete, or  
56 the taxable year immediately following the allocation year for which the

1 film has been allocated credit by the governor's office for motion  
2 picture and television development.

3 § 4. Paragraph 6 of subdivision (a) of section 31 of the tax law, as  
4 amended by section 5-c of part M of chapter 59 of the laws of 2020, is  
5 amended to read as follows:

6 (6) For the period two thousand fifteen through two thousand [~~twenty-~~  
7 ~~five~~] twenty-six, in addition to the amount of credit established in  
8 paragraph two of this subdivision, a taxpayer shall be allowed a credit  
9 equal to the product (or pro rata share of the product, in the case of a  
10 member of a partnership) of ten percent and the amount of wages or sala-  
11 ries paid to individuals directly employed (excluding those employed as  
12 writers, directors, music directors, producers and performers, including  
13 background actors with no scripted lines) for services performed by  
14 those individuals in one of the counties specified in this paragraph in  
15 connection with the post production work on a qualified film with a  
16 minimum budget of five hundred thousand dollars at a qualified post  
17 production facility in one of the counties listed in this paragraph. For  
18 purposes of this additional credit, the services must be performed in  
19 one or more of the following counties: Albany, Allegany, Broome, Catta-  
20 raugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cort-  
21 land, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee,  
22 Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison,  
23 Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans,  
24 Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie,  
25 Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins,  
26 Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate  
27 amount of tax credits allowed pursuant to the authority of this para-  
28 graph shall be five million dollars each year during the period two  
29 thousand fifteen through two thousand [~~twenty-five~~] twenty-six of the  
30 annual allocation made available to the empire state film post  
31 production credit pursuant to paragraph four of subdivision (e) of  
32 section twenty-four of this article. Such aggregate amount of credits  
33 shall be allocated by the governor's office for motion picture and tele-  
34 vision development among taxpayers in order of priority based upon the  
35 date of filing an application for allocation of post production credit  
36 with such office. If the total amount of allocated credits applied for  
37 under this paragraph in any year exceeds the aggregate amount of tax  
38 credits allowed for such year under this paragraph, such excess shall be  
39 treated as having been applied for on the first day of the next year. If  
40 the total amount of allocated tax credits applied for under this para-  
41 graph at the conclusion of any year is less than five million dollars,  
42 the remainder shall be treated as part of the annual allocation for two  
43 thousand seventeen made available to the empire state film post  
44 production credit pursuant to paragraph four of subdivision (e) of  
45 section twenty-four of this article. However, in no event may the total  
46 of the credits allocated under this paragraph and the credits allocated  
47 under paragraph five of subdivision (a) of section twenty-four of this  
48 article exceed five million dollars in any year during the period two  
49 thousand fifteen through two thousand [~~twenty-five~~] twenty-six.

50 § 5. Paragraph 3 of subdivision (b) of section 24 of the tax law, as  
51 separately amended by sections 3 and 4 of part M of chapter 59 of the  
52 laws of 2020, is amended to read as follow:

53 (3) "Qualified film" means a feature-length film, television film,  
54 relocated television production, television pilot or television series,  
55 regardless of the medium by means of which the film, pilot or series is  
56 created or conveyed. For the purposes of the credit provided by this

1 section only, a "qualified film" [~~with the exception of a television~~  
2 ~~pilot,~~] whose majority of principal photography shooting days in the  
3 production of the qualified film are shot in Westchester, Rockland,  
4 Nassau, or Suffolk county or any of the five New York City boroughs  
5 shall have a minimum budget of one million dollars. A "qualified film",  
6 [~~with the exception of a television pilot,~~] whose majority of principal  
7 photography shooting days in the production of the qualified film are  
8 shot in any other county of the state than those listed in the preceding  
9 sentence shall have a minimum budget of two hundred fifty thousand  
10 dollars. "Qualified film" shall not include: (i) a documentary film,  
11 news or current affairs program, interview or talk program, "how-to"  
12 (i.e., instructional) film or program, film or program consisting prima-  
13 rily of stock footage, sporting event or sporting program, game show,  
14 award ceremony, film or program intended primarily for industrial,  
15 corporate or institutional end-users, fundraising film or program,  
16 daytime drama (i.e., daytime "soap opera"), commercials, music videos or  
17 "reality" program; (ii) a production for which records are required  
18 under section 2257 of title 18, United States code, to be maintained  
19 with respect to any performer in such production (reporting of books,  
20 films, etc. with respect to sexually explicit conduct); or (iii) other  
21 than a relocated television production, a television series commonly  
22 known as variety entertainment, variety sketch and variety talk, i.e., a  
23 program with components of improvisational or scripted content (mono-  
24 logues, sketches, interviews), either exclusively or in combination with  
25 other entertainment elements such as musical performances, dancing,  
26 cooking, crafts, pranks, stunts, and games and which may be further  
27 defined in regulations of the commissioner of economic development.  
28 However, a qualified film shall include a television series as described  
29 in subparagraph (iii) of this paragraph only if an application for such  
30 series has been deemed conditionally eligible for the tax credit under  
31 this section prior to April first, two thousand twenty, such series  
32 remains in continuous production for each season, and an annual applica-  
33 tion for each season of such series is continually submitted for such  
34 series after April first, two thousand twenty.

35 § 6. This act shall take effect immediately; provided, however, that  
36 the amendments made by section five of this act shall apply to applica-  
37 tions that are filed with the governor's office for motion picture and  
38 television development on or after April 1, 2021; provided, further,  
39 however that the amendments to paragraph 4 of subdivision (e) of section  
40 24 of the tax law made by section two of this act shall take effect on  
41 the same date and in the same manner as section 5 of chapter 683 of the  
42 laws of 2019, as amended, takes effect.

43 PART G

44 Intentionally Omitted

45 PART H

46 Intentionally Omitted

47 PART I

48 Intentionally Omitted

49 PART J

1 Section 1. Sections 227, 306 and 406, subparagraph (ii) of paragraph b  
2 of subdivision 4 of section 1008 and paragraph b of subdivision 5 of  
3 section 1009 of the racing, pari-mutuel, wagering and breeding law are  
4 REPEALED.

5 § 2. Paragraph 1 of subdivision (f) of section 1105 of the tax law, as  
6 amended by chapter 32 of the laws of 2016, is amended to read as  
7 follows:

8 (1) Any admission charge where such admission charge is in excess of  
9 ten cents to or for the use of any place of amusement in the state,  
10 except charges for admission to [~~race tracks or~~] combative sports which  
11 charges are taxed under any other law of this state, or dramatic or  
12 musical arts performances, or live circus performances, or motion  
13 picture theaters, and except charges to a patron for admission to, or  
14 use of, facilities for sporting activities in which such patron is to be  
15 a participant, such as bowling alleys and swimming pools. For any person  
16 having the permanent use or possession of a box or seat or a lease or a  
17 license, other than a season ticket, for the use of a box or seat at a  
18 place of amusement, the tax shall be upon the amount for which a similar  
19 box or seat is sold for each performance or exhibition at which the box  
20 or seat is used or reserved by the holder, licensee or lessee, and shall  
21 be paid by the holder, licensee or lessee.

22 § 3. Subdivision (a) of section 1109 of the tax law, as amended by  
23 section 1 of part BB of chapter 61 of the laws of 2005, is amended to  
24 read as follows:

25 (a) General. In addition to the taxes imposed by sections eleven  
26 hundred five and eleven hundred ten of this article, there is hereby  
27 imposed within the territorial limits of the metropolitan commuter  
28 transportation district created and established pursuant to section  
29 twelve hundred sixty-two of the public authorities law, and there shall  
30 be paid, additional taxes, at the rate of three-eighths of one percent,  
31 which shall be identical to the taxes imposed by sections eleven hundred  
32 five and eleven hundred ten of this article. Such sections and the other  
33 sections of this article, including the definition and exemption  
34 provisions, shall apply for purposes of the taxes imposed by this  
35 section in the same manner and with the same force and effect as if the  
36 language of those sections had been incorporated in full into this  
37 section and had expressly referred to the taxes imposed by this section.  
38 Notwithstanding the foregoing, the tax imposed by this section shall not  
39 apply to admissions to race tracks or simulcast facilities.

40 § 4. Subdivision (a) of section 1146 of the tax law, as amended by  
41 chapter 65 of the laws of 1985, is amended to read as follows:

42 (a) Except in accordance with proper judicial order or as otherwise  
43 provided by law, it shall be unlawful for the [~~tax commission, any tax~~  
44 commissioner, any officer or employee of the department of taxation and  
45 finance, any person engaged or retained by such department on an inde-  
46 pendent contract basis, or any person who in any manner may acquire  
47 knowledge of the contents of a return or report filed with the [~~tax~~  
48 commission] commissioner pursuant to this article, to divulge or make  
49 known in any manner any particulars set forth or disclosed in any such  
50 return or report. The officers charged with the custody of such returns  
51 and reports shall not be required to produce any of them or evidence of  
52 anything contained in them in any action or proceeding in any court,  
53 except on behalf of the [~~tax commission~~] commissioner in an action or  
54 proceeding under the provisions of the tax law or in any other action or  
55 proceeding involving the collection of a tax due under this chapter to  
56 which the state or the [~~tax commission~~] commissioner is a party or a



1 claimant, or on behalf of any party to any action, proceeding or hearing  
2 under the provisions of this article when the returns, reports or facts  
3 shown thereby are directly involved in such action, proceeding or hear-  
4 ing, in any of which events the court, or in the case of a hearing, the  
5 ~~[tax-commission]~~ commissioner may require the production of, and may  
6 admit into evidence, so much of said returns, reports or of the facts  
7 shown thereby, as are pertinent to the action, proceeding or hearing and  
8 no more. The ~~[tax-commission]~~ commissioner may, nevertheless, publish a  
9 copy or a summary of any decision rendered after a hearing required by  
10 this article. Nothing herein shall be construed to prohibit the delivery  
11 to a person who has filed a return or report or his duly authorized  
12 representative of a certified copy of any return or report filed in  
13 connection with his tax. Nor shall anything herein be construed to  
14 prohibit the delivery to a person required to collect the tax under this  
15 article or a purchaser, transferee or assignee personally liable under  
16 the provisions of subdivision (c) of section eleven hundred forty-one of  
17 this chapter for the tax due from the seller, transferor or assignor, of  
18 any return or report filed under this article in connection with such  
19 tax provided, however, that there may be delivered only so much of said  
20 return, report or of the facts shown thereby as are pertinent to a  
21 determination of the taxes due or liability owed by such person or  
22 purchaser, transferee or assignee and no more or to prohibit the publi-  
23 cation of statistics so classified as to prevent the identification of  
24 particular returns or reports and the items thereof, or the inspection  
25 by the attorney general or other legal representatives of the state of  
26 the return or report of any person required to collect or pay the tax  
27 who shall bring action to review the tax based thereon, or against whom  
28 an action or proceeding under this chapter has been recommended by the  
29 commissioner of taxation and finance or the attorney general or has been  
30 instituted, or the inspection of the returns or reports required under  
31 this article by the comptroller or duly designated officer or employee  
32 of the state department of audit and control, for purposes of the audit  
33 of a refund of any tax paid by a person required to collect or pay the  
34 tax under this article. Provided, further, nothing herein shall be  
35 construed to prohibit the disclosure, in such manner as the ~~[tax-commis-~~  
36 ~~sion]~~ commissioner deems appropriate, of the names and other appropriate  
37 identifying information of those persons holding certificates of author-  
38 ity pursuant to section eleven hundred thirty-four of this article,  
39 those persons whose certificates of authority have been suspended or  
40 revoked, those persons whose certificates of authority have expired,  
41 those persons who have filed a certificate of registration for a certif-  
42 icate of authority where the ~~[tax-commission]~~ commissioner has refused  
43 to issue a certificate of authority, those persons holding direct  
44 payment permits pursuant to section eleven hundred thirty-two or those  
45 persons whose direct payment permits have been suspended or revoked by  
46 the ~~[tax-commission]~~ commissioner; and provided further that nothing  
47 herein shall be construed to prohibit the disclosure, in such manner as  
48 the commissioner deems appropriate, of information related to the tax on  
49 admissions to race tracks and simulcast facilities to the gaming commis-  
50 sion or the division of the budget.

51 § 5. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as  
52 amended by section 2 of part WW, subparagraph (i) as separately amended  
53 by section 5 of part Z of chapter 60 of the laws of 2016, is amended to  
54 read as follows:

55 (1) Either, all of the taxes described in article twenty-eight of this  
56 chapter, at the same uniform rate, as to which taxes all provisions of

1 the local laws, ordinances or resolutions imposing such taxes shall be  
2 identical, except as to rate and except as otherwise provided, with the  
3 corresponding provisions in such article twenty-eight, including the  
4 definition and exemption provisions of such article, so far as the  
5 provisions of such article twenty-eight can be made applicable to the  
6 taxes imposed by such city or county and with such limitations and  
7 special provisions as are set forth in this article. The taxes author-  
8 ized under this subdivision may not be imposed by a city or county  
9 unless the local law, ordinance or resolution imposes such taxes so as  
10 to include all portions and all types of receipts, charges or rents,  
11 subject to state tax under sections eleven hundred five and eleven  
12 hundred ten of this chapter, except as otherwise provided. Notwith-  
13 standing the foregoing, a tax imposed by a city or county authorized  
14 under this subdivision shall not include the tax imposed on charges for  
15 admission to race tracks and simulcast facilities under subdivision (f)  
16 of section eleven hundred five of this chapter. (i) Any local law, ordi-  
17 nance or resolution enacted by any city of less than one million or by  
18 any county or school district, imposing the taxes authorized by this  
19 subdivision, shall, notwithstanding any provision of law to the contra-  
20 ry, exclude from the operation of such local taxes all sales of tangible  
21 personal property for use or consumption directly and predominantly in  
22 the production of tangible personal property, gas, electricity, refrig-  
23 eration or steam, for sale, by manufacturing, processing, generating,  
24 assembly, refining, mining or extracting; and all sales of tangible  
25 personal property for use or consumption predominantly either in the  
26 production of tangible personal property, for sale, by farming or in a  
27 commercial horse boarding operation, or in both; and all sales of fuel  
28 sold for use in commercial aircraft and general aviation aircraft; and,  
29 unless such city, county or school district elects otherwise, shall omit  
30 the provision for credit or refund contained in clause six of subdivi-  
31 sion (a) or subdivision (d) of section eleven hundred nineteen of this  
32 chapter. (ii) Any local law, ordinance or resolution enacted by any  
33 city, county or school district, imposing the taxes authorized by this  
34 subdivision, shall omit the residential solar energy systems equipment  
35 and electricity exemption provided for in subdivision (ee), the commer-  
36 cial solar energy systems equipment and electricity exemption provided  
37 for in subdivision (ii), the commercial fuel cell electricity generating  
38 systems equipment and electricity generated by such equipment exemption  
39 provided for in subdivision (kk) and the clothing and footwear exemption  
40 provided for in paragraph thirty of subdivision (a) of section eleven  
41 hundred fifteen of this chapter, unless such city, county or school  
42 district elects otherwise as to such residential solar energy systems  
43 equipment and electricity exemption, such commercial solar energy  
44 systems equipment and electricity exemption, commercial fuel cell elec-  
45 tricity generating systems equipment and electricity generated by such  
46 equipment exemption or such clothing and footwear exemption.

47 § 6. Paragraph 1 of subdivision (b) of section 1210 of the tax law,  
48 as amended by section 3 of part WW of chapter 60 of the laws of 2016, is  
49 amended to read as follows:

50 (1) Or, one or more of the taxes described in subdivisions (b), (d),  
51 (e) and (f) of section eleven hundred five of this chapter, at the same  
52 uniform rate, including the transitional provisions in section eleven  
53 hundred six of this chapter covering such taxes, but not the taxes  
54 described in subdivisions (a) and (c) of section eleven hundred five of  
55 this chapter. Provided, further, that where the tax described in subdivi-  
56 sion (b) of section eleven hundred five of this chapter is imposed,

1 the compensating use taxes described in clauses (E), (G) and (H) of  
2 subdivision (a) of section eleven hundred ten of this chapter shall also  
3 be imposed. Provided, further, that where the taxes described in subdivi-  
4 sion (b) of section eleven hundred five of this chapter are imposed,  
5 such taxes shall omit: (A) the provision for refund or credit contained  
6 in subdivision (d) of section eleven hundred nineteen of this chapter  
7 with respect to such taxes described in such subdivision (b) of section  
8 eleven hundred five unless such city or county elects to provide such  
9 provision or, if so elected, to repeal such provision; (B) the exemption  
10 provided in paragraph two of subdivision (ee) of section eleven hundred  
11 fifteen of this chapter unless such county or city elects otherwise; (C)  
12 the exemption provided in paragraph two of subdivision (ii) of section  
13 eleven hundred fifteen of this chapter, unless such county or city  
14 elects otherwise; and (D) the exemption provided in paragraph two of  
15 subdivision (kk) of section eleven hundred fifteen of this chapter,  
16 unless such county or city elects otherwise; and provided further that  
17 where the tax described in subdivision (f) of such section eleven  
18 hundred five is imposed, such tax shall not apply to charges for admis-  
19 sion to race tracks and simulcast facilities.

20 § 7. Notwithstanding any provisions of law to the contrary and  
21 notwithstanding the repeal of sections 227, 306 and 406, subparagraph  
22 (ii) of paragraph b of subdivision 4 of section 1008 and paragraph b of  
23 subdivision 5 of section 1009 of the racing, pari-mutuel, wagering and  
24 breeding law by section one of this act, all provisions of such sections  
25 227, 306 and 406, subparagraph (ii) of paragraph b of subdivision 4 of  
26 section 1008 and paragraph b of subdivision 5 of section 1009, in  
27 respect to the imposition, exemption, assessment, payment, payment over,  
28 determination, collection, and credit or refund of tax, interest and  
29 penalty imposed thereunder, the filing of forms and returns, the preser-  
30 vation of records for the purposes of such tax, the disposition of  
31 revenues, and any civil and criminal penalties applicable to the  
32 violation of the provisions of such sections 227, 306 and 406, subpara-  
33 graph (ii) of paragraph b of subdivision 4 of section 1008 and paragraph  
34 b of subdivision 5 of section 1009, shall continue in full force and  
35 effect with respect to all such tax accrued for periods prior to the  
36 effective date of this act in the same manner as they might if such  
37 provisions were not repealed.

38 § 8. This act shall take effect November 1, 2021 and shall apply to  
39 charges for admissions to race tracks and simulcast facilities on and  
40 after such date.

41 PART K

42 Intentionally Omitted

43 PART L

44 Section 1. Subparagraph (i) of the opening paragraph of section 1210  
45 of the tax law is REPEALED and a new subparagraph (i) is added to read  
46 as follows:

47 (i) with respect to a city of one million or more and the following  
48 counties: (1) any such city having a population of one million or more  
49 is hereby authorized and empowered to adopt and amend local laws, ordi-  
50 nances or resolutions imposing such taxes in any such city, at the rate  
51 of four and one-half percent;

1 (2) the following counties that impose taxes described in subdivision  
2 (a) of this section at the rate of three percent as authorized above in  
3 this paragraph are hereby further authorized and empowered to adopt and  
4 amend local laws, ordinances, or resolutions imposing such taxes at  
5 additional rates, in quarter percent increments, not to exceed the  
6 following rates, which rates are additional to the three percent rate  
7 authorized above in this paragraph:

8 (A) One percent - Albany, Broome, Cattaraugus, Cayuga, Chautauqua,  
9 Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess,  
10 Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Jefferson, Lewis,  
11 Livingston, Madison, Monroe, Montgomery, Niagara, Onondaga, Ontario,  
12 Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, St.  
13 Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben,  
14 Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Westches-  
15 ter, Wyoming, Yates;

16 (B) One and one-quarter percent - Herkimer, Nassau, Suffolk;

17 (C) One and one-half percent - Allegany;

18 (D) One and three-quarters percent - Erie, Oneida.

19 Provided, however, that (I) the county of Rockland may impose addi-  
20 tional rates of five-eighths percent and three-eighths percent, in lieu  
21 of imposing such additional rate in quarter percent increments; (II) the  
22 county of Ontario may impose additional rates of one-eighth percent and  
23 three-eighths percent, in lieu of imposing such additional rate in quar-  
24 ter percent increments; (III) three-quarters percent of the additional  
25 rate authorized to be imposed by the county of Nassau shall be subject  
26 to the limitation set forth in section twelve hundred sixty-two-e of  
27 this article.

28 § 2. Subparagraph (ii) of the opening paragraph of section 1210 of the  
29 tax law is REPEALED and a new subparagraph (ii) is added to read as  
30 follows:

31 (ii) the following cities that impose taxes described in subdivision  
32 (a) of this section at the rate of one and one-half percent or higher as  
33 authorized above in this paragraph for such cities are hereby further  
34 authorized and empowered to adopt and amend local laws, ordinances, or  
35 resolutions imposing such taxes at additional rates, in quarter percent  
36 increments, not to exceed the following rates, which rates are addi-  
37 tional to the one and one-half percent or higher rates authorized above  
38 in this paragraph:

39 (1) One percent - Mount Vernon; New Rochelle; Oswego; White Plains;

40 (2) One and one quarter percent - None;

41 (3) One and one-half percent - Yonkers.

42 § 3. Subparagraphs (iii) and (iv) of the opening paragraph of section  
43 1210 of the tax law are REPEALED and a new subparagraph (iii) is added  
44 to read as follows:

45 (iii) the maximum rate referred to in section twelve hundred twenty-  
46 four of this article shall be calculated without reference to the addi-  
47 tional rates authorized for counties, other than the counties of Cayuga,  
48 Cortland, Fulton, Madison, and Otsego, in clause two of subparagraph (i)  
49 and the cities in subparagraph (ii) of this paragraph.

50 § 4. Section 1210 of the tax law is amended by adding a new subdivi-  
51 sion (p) to read as follows:

52 (p) Notwithstanding any provision of this section or other law to the  
53 contrary, a county authorized to impose an additional rate or rates of  
54 sales and compensating use taxes by clause two of subparagraph (i) of  
55 the opening paragraph of this section, or a city, other than the city of  
56 Mount Vernon, authorized to impose an additional rate of such taxes by

1 subparagraph (ii) of such opening paragraph, may adopt a local law,  
 2 ordinance or resolution by a majority vote of its governing body impos-  
 3 ing such rate or rates for a period not to exceed two years, and any  
 4 such period must end on November thirtieth of an odd-numbered year.  
 5 Notwithstanding the preceding sentence, the city of White Plains is  
 6 authorized to exceed such two-year limitation to impose the tax author-  
 7 ized by subparagraph (ii) of such opening paragraph for the period  
 8 commencing on September first, two thousand twenty-one and ending on  
 9 November thirtieth, two thousand twenty-three. Any such local law, ordi-  
 10 nance, or resolution shall also be subject to the provisions of subdivi-  
 11 sions (d) and (e) of this section.

12 § 5. Section 1210-E of the tax law is REPEALED.

13 § 6. Subdivisions (d), (e), (f), (g), (h), (i), (j), (k), (l), (m),  
 14 (n), (o), (p), (q), (r), (s), (t), (u), (v), (w), (x), (y), (z), (z-1),  
 15 (aa), (bb), (cc), (dd), (ee), (ff), (gg), (hh), (ii) and (jj) of section  
 16 1224 of the tax law are REPEALED.

17 § 7. Section 1224 of the tax law is amended by adding three new subdivi-  
 18 sions (d), (e), and (f) to read as follows:

19 (d) For purposes of this section, the term "prior right" shall mean  
 20 the preferential right to impose any tax described in sections twelve  
 21 hundred two and twelve hundred three, or twelve hundred ten and twelve  
 22 hundred eleven, of this article and thereby to preempt such tax and to  
 23 preclude another municipal corporation from imposing or continuing the  
 24 imposition of such tax to the extent that such right is exercised.  
 25 However, the right of preemption shall only apply within the territorial  
 26 limits of the taxing jurisdiction having the right of preemption.

27 (e) Each of the following counties and cities shall have the sole  
 28 right to impose the following additional rate of sales and compensating  
 29 use taxes in excess of three percent that such county or city is author-  
 30 ized to impose pursuant to clause two of subparagraph (i) or subpara-  
 31 graph (ii) of the opening paragraph of section twelve hundred ten of  
 32 this article. Such additional rates of tax shall not be subject to  
 33 preemption.

34 (1) Counties:

35 (A) One percent - Albany, Broome, Cattaraugus, Chautauqua, Chemung,  
 36 Chenango, Clinton, Columbia, Delaware, Dutchess, Essex, Franklin, Gene-  
 37 see, Greene, Hamilton, Jefferson, Lewis, Livingston, Monroe, Montgomery,  
 38 Niagara, Onondaga, Ontario, Orange, Orleans, Oswego, Putnam, Rensselaer,  
 39 Rockland, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler,  
 40 Seneca, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington,  
 41 Wayne, Westchester, Wyoming, Yates;

42 (B) One and one-quarter percent - Herkimer, Nassau, Suffolk;

43 (C) One and one-half percent - Allegany;

44 (D) One and three-quarters percent - Erie, Oneida;

45 Provided, however that the county of Westchester shall have the sole  
 46 right to impose the additional one percent rate of tax authorized by  
 47 clause two of subparagraph (i) of the opening paragraph of section  
 48 twelve hundred ten of this article in the area of such county outside  
 49 the cities of Mount Vernon, New Rochelle, White Plains and Yonkers.

50 (2) Cities:

51 (A) One-quarter of one percent - Rome;

52 (B) One-half of one percent - None;

53 (C) Three-quarters of one percent - None;

54 (D) One percent - Mount Vernon, New Rochelle, White Plains;

55 (E) One and one quarter percent - None;

56 (F) One and one-half percent - Yonkers.

(f) Each of the following cities is authorized to preempt the taxes imposed by the county in which it is located pursuant to the authority of section twelve hundred ten of this article, to the extent of one-half the maximum aggregate rate authorized under section twelve hundred ten of this article, including the additional rate that the county in which such city is located is authorized to impose: Auburn, in Cayuga county; Cortland, in Cortland county; Gloversville and Johnstown, in Fulton county; Oneida, in Madison county; Oneonta, in Otsego county. As of the date this subdivision takes effect, any such preemption by such a city in effect on such date shall continue in full force and effect until the effective date of a local law, ordinance, or resolution adopted or amended by the city to change such preemption. Any preemption by such a city pursuant to this subdivision that takes effect after the effective date of this subdivision shall be subject to the notice requirements in section twelve hundred twenty-three of this subpart and to the other requirements of this article.

§ 8. Section 1262-g of the tax law, as amended by section 2 of item DD of subpart C of part XXX of chapter 58 of the laws of 2020, is amended to read as follows:

§ 1262-g. Oneida county allocation and distribution of net collections from the additional [~~one percent rate~~] rates of sales and compensating use taxes. Notwithstanding any contrary provision of law, (a) if the county of Oneida imposes sales and compensating use taxes at a rate which is one percent additional to the three percent rate authorized by section twelve hundred ten of this article, as authorized by such section, [~~(a)~~] (i) where a city in such county imposes tax pursuant to the authority of subdivision (a) of such section twelve hundred ten, such county shall allocate, distribute and pay in cash quarterly to such city one-half of the net collections attributable to such additional one percent rate of the county's taxes collected in such city's boundaries; [~~(b)~~] (ii) where a city in such county does not impose tax pursuant to the authority of such subdivision (a) of such section twelve hundred ten, such county shall allocate, distribute and pay in cash quarterly to such city not so imposing tax a portion of the net collections attributable to one-half of the county's additional one percent rate of tax calculated on the basis of the ratio which such city's population bears to the county's total population, such populations as determined in accordance with the latest decennial federal census or special population census taken pursuant to section twenty of the general municipal law completed and published prior to the end of the quarter for which the allocation is made, which special census must include the entire area of the county; [~~and (c)~~] provided, however, that such county shall dedicate the first one million five hundred thousand dollars of net collections attributable to such additional one percent rate of tax received by such county after the county receives in the aggregate eighteen million five hundred thousand dollars of net collections from such additional one percent rate of tax [~~imposed for any of the periods: September first, two thousand twelve through August thirty first, two thousand thirteen; September first, two thousand thirteen through August thirty first, two thousand fourteen; and September first, two thousand fourteen through August thirty first, two thousand fifteen; September first, two thousand fifteen through August thirty first, two thousand sixteen; and September first, two thousand sixteen through August thirty first, two thousand seventeen; September first, two thousand seventeen through August thirty first, two thousand eighteen; September first, two thousand eighteen through August thirty first, two thousand~~]

1 ~~twenty, and September first, two thousand twenty through August thirty-~~  
2 ~~first, two thousand twenty three,~~] to an allocation on a per capita  
3 basis, utilizing figures from the latest decennial federal census or  
4 special population census taken pursuant to section twenty of the gener-  
5 al municipal law, completed and published prior to the end of the year  
6 for which such allocation is made, which special census must include the  
7 entire area of such county, to be allocated and distributed among the  
8 towns of Oneida county by appropriation of its board of legislators;  
9 provided, further, that nothing herein shall require such board of  
10 legislators to make any such appropriation until it has been notified by  
11 any town by appropriate resolution and, in any case where there is a  
12 village wholly or partly located within a town, a resolution of every  
13 such village, embodying the agreement of such town and village or  
14 villages upon the amount of such appropriation to be distributed to such  
15 village or villages out of the allocation to the town or towns in which  
16 it is located.

17 (b) if the county of Oneida imposes sales and compensating use taxes  
18 at a rate which is one and three-quarters percent additional to the  
19 three percent rate authorized by section twelve hundred ten of this  
20 article, as authorized pursuant to clause two of subparagraph (i) of the  
21 opening paragraph of section twelve hundred ten of this article, net  
22 collections attributable to the additional three-quarters percent of  
23 such additional rate shall not be subject to any revenue distribution  
24 agreement entered into by the county and the cities in the county pursu-  
25 ant to the authority of subdivision (c) of section twelve hundred  
26 sixty-two of this part.

27 § 9. The opening paragraph of section 1262-r of the tax law, as added  
28 by chapter 37 of the laws of 2006, is amended to read as follows:

29 (1) Notwithstanding any contrary provision of law, if the county of  
30 Ontario imposes the additional one-eighth of one percent and the addi-  
31 tional three-eighths of one percent rates of tax authorized pursuant to  
32 clause two of subparagraph (i) of the opening paragraph of section  
33 twelve hundred ten of this article, net collections from the such addi-  
34 tional three-eighths of one percent rate of such taxes shall be set  
35 aside for county purposes and shall not be subject to any agreement  
36 entered into by the county and the cities in the county pursuant to the  
37 authority of subdivision (c) of section twelve hundred sixty-two of this  
38 part or this section.

39 (2) Notwithstanding the provisions of subdivision (c) of section  
40 twelve hundred sixty-two of this part to the contrary, if the cities of  
41 Canandaigua and Geneva in the county of Ontario do not impose sales and  
42 compensating use taxes pursuant to the authority of section twelve  
43 hundred ten of this article and such cities and county enter into an  
44 agreement pursuant to the authority of subdivision (c) of section twelve  
45 hundred sixty-two of this part to be effective March first, two thousand  
46 six, such agreement may provide that:

47 § 10. The tax law is amended by adding a new section 1262-v to read as  
48 follows:

49 § 1262-v. Disposition of net collections from the additional rate of  
50 sales and compensating use tax in Clinton county. Notwithstanding any  
51 contrary provision of law, if the county of Clinton imposes the addi-  
52 tional one percent rate of sales and compensating use taxes authorized  
53 pursuant to clause two of subparagraph (i) of the opening paragraph of  
54 section twelve hundred ten of this article, net collections from such  
55 additional rate shall be paid to the county and the county shall set  
56 aside such net collections and use them solely for county purposes. Such

1 net collections shall not be subject to any revenue distribution agree-  
2 ment entered into by the county and the city in the county pursuant to  
3 the authority of subdivision (c) of section twelve hundred sixty-two of  
4 this part.

5 § 11. Section 1262-s of the tax law, as amended by section 3 of item U  
6 of subpart C of part XXX of chapter 58 of the laws of 2020, is amended  
7 to read as follows:

8 § 1262-s. Disposition of net collections from the additional one-quar-  
9 ter of one percent rate of sales and compensating use taxes in the coun-  
10 ty of Herkimer. Notwithstanding any contrary provision of law, if the  
11 county of Herkimer imposes [~~the additional~~] sales and compensating use  
12 tax at a rate that is one and one-quarter [~~of one~~] percent [~~rate of~~  
13 ~~sales and compensating use taxes~~] additional to the three percent rate  
14 authorized by section twelve hundred ten of this article, as authorized  
15 by [~~section twelve hundred ten-E~~] clause two of subparagraph (i) of the  
16 opening paragraph of section twelve hundred ten of this article [~~for all~~  
17 ~~or any portion of the period beginning December first, two thousand~~  
18 ~~seven and ending November thirtieth, two thousand twenty-three~~], the  
19 county shall use all net collections [~~from such~~] attributable to the  
20 additional one-quarter [~~of one~~] percent of such additional rate to pay  
21 the county's expenses for the construction of additional correctional  
22 facilities. The net collections from [~~the~~] such additional one-quarter  
23 percent of such additional rate [~~imposed pursuant to section twelve~~  
24 ~~hundred ten-E of this article~~] shall be deposited in a special fund to  
25 be created by such county separate and apart from any other funds and  
26 accounts of the county. Any and all remaining net collections from such  
27 additional tax, after the expenses of such construction are paid, shall  
28 be deposited by the county of Herkimer in the general fund of such coun-  
29 ty for any county purpose.

30 § 12. The tax law is amended by adding a new section 1265 to read as  
31 follows:

32 § 1265. References to certain provisions authorizing additional rates  
33 or to expirations of a period. Notwithstanding any provision of law to  
34 the contrary: (a) any reference in any section of this chapter or other  
35 law, or in any local law, ordinance, or resolution adopted pursuant to  
36 the authority of this article, to net collections or revenues from a tax  
37 imposed by a county or city pursuant to the authority of a clause, or to  
38 a subclause of a clause, of subparagraph (i) or (ii) of the opening  
39 paragraph of section twelve hundred ten of this article repealed by  
40 section one or two of the chapter of the laws of two thousand twenty-one  
41 that added this section or pursuant to section twelve hundred ten-E of  
42 this article repealed by section five of such chapter shall be deemed to  
43 be a reference to net collections or revenues from a tax imposed by that  
44 county or city pursuant to the authority of the equivalent provision of  
45 clause two of subparagraph (i) or to subparagraph (ii) of the opening  
46 paragraph of such section twelve hundred ten as added by such section  
47 one or two of such chapter of the laws of two thousand twenty-one; (b)  
48 any reference in this chapter or in any other law relating to the expi-  
49 ration of a provision concerning the distribution of revenue from the  
50 taxes authorized to be imposed by the opening paragraph of section  
51 twelve hundred ten of this article shall be disregarded, and such  
52 provision shall continue in effect unless later amended or repealed.

53 § 13. This act shall take effect immediately.



1 Section 1. Subdivision (jj) of section 1115 of the tax law, as amended  
2 by section 1 of part V of chapter 59 of the laws of 2019, is amended to  
3 read as follows:

4 (jj) Tangible personal property or services otherwise taxable under  
5 this article sold to a related person shall not be subject to the taxes  
6 imposed by section eleven hundred five of this article or the compensat-  
7 ing use tax imposed under section eleven hundred ten of this article  
8 where the purchaser can show that the following conditions have been met  
9 to the extent they are applicable: (1)(i) the vendor and the purchaser  
10 are referenced as either a "covered company" as described in section  
11 243.2(f) or a "material entity" as described in section 243.2(l) of the  
12 Code of Federal Regulations in a resolution plan that has been submitted  
13 to an agency of the United States for the purpose of satisfying subpara-  
14 graph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-  
15 Frank Wall Street Reform and Consumer Protection Act (the "Act") or any  
16 successor law, or (ii) the vendor and the purchaser are separate legal  
17 entities pursuant to a divestiture directed pursuant to subparagraph 5  
18 of paragraph (d) of section one hundred sixty-five of such act or any  
19 successor law; (2) the sale would not have occurred between such related  
20 entities were it not for such resolution plan or divestiture; and (3) in  
21 acquiring such property or services, the vendor did not claim an  
22 exemption from the tax imposed by this state or another state based on  
23 the vendor's intent to resell such services or property. A person is  
24 related to another person for purposes of this subdivision if the person  
25 bears a relationship to such person described in section two hundred  
26 sixty-seven of the internal revenue code. The exemption provided by this  
27 subdivision shall not apply to sales made, services rendered, or uses  
28 occurring after June thirtieth, two thousand [~~twenty-one~~] twenty-four,  
29 except with respect to sales made, services rendered, or uses occurring  
30 pursuant to binding contracts entered into on or before such date; but  
31 in no case shall such exemption apply after June thirtieth, two thousand  
32 [~~twenty-four~~] twenty-seven.

33 § 2. This act shall take effect immediately.

34

## PART N

35 Section 1. Subparagraph (vi) of paragraph 1 of subdivision (a) of  
36 section 1134 of the tax law, as amended by section 160 of part A of  
37 chapter 389 of the laws of 1997, is amended to read as follows:

38 (vi) every person described in subparagraph (i), (ii), (iii), (iv) or  
39 (v) of this paragraph or every person who is a vendor solely by reason  
40 of clause (D), (E) or (F) of subparagraph (i) of paragraph eight of  
41 subdivision (b) of section eleven hundred one of this article who or  
42 which has had its certificate of authority revoked under paragraph four  
43 of this subdivision, shall file with the commissioner a certificate of  
44 registration, in a form prescribed by the commissioner, at least twenty  
45 days prior to commencing business or opening a new place of business or  
46 such purchasing, selling or taking of possession or payment, whichever  
47 comes first. Every person who is a vendor solely by reason of clause (D)  
48 of subparagraph (i) of paragraph eight of subdivision (b) of section  
49 eleven hundred one of this article shall file with the commissioner a  
50 certificate of registration, in a form prescribed by such commissioner,  
51 within thirty days after the day on which the cumulative total number of  
52 occasions that such person came into the state to deliver property or  
53 services, for the immediately preceding four quarterly periods ending on  
54 the last day of February, May, August and November, exceeds twelve.

1 Every person who is a vendor solely by reason of clause (E) of subpara-  
2 graph (i) of paragraph eight of subdivision (b) of section eleven  
3 hundred one of this article shall file with the commissioner a certifi-  
4 cate of registration, in a form prescribed by such commissioner, within  
5 thirty days after the day on which the cumulative total, for the imme-  
6 diately preceding four quarterly periods ending on the last day of  
7 February, May, August and November, of such person's gross receipts from  
8 sales of property delivered in this state exceeds [~~three~~] five hundred  
9 thousand dollars and number of such sales exceeds one hundred. Every  
10 person who is a vendor solely by reason of clause (F) of subparagraph  
11 (i) of paragraph eight of subdivision (b) of section eleven hundred one  
12 of this article shall file with the commissioner a certificate of regis-  
13 tration, in a form prescribed by such commissioner, within thirty days  
14 after the day on which tangible personal property in which such person  
15 retains an ownership interest is brought into this state by the person  
16 to whom such property is sold, where the person to whom such property is  
17 sold becomes or is a resident or uses such property in any manner in  
18 carrying on in this state any employment, trade, business or profession.  
19 Information with respect to the notice requirements of a purchaser,  
20 transferee or assignee and such person's liability pursuant to the  
21 provisions of subdivision (c) of section eleven hundred forty-one of  
22 this chapter shall be included in or accompany the certificate of regis-  
23 tration form furnished the applicant. The commissioner shall also  
24 include with such information furnished to each applicant general infor-  
25 mation about the tax imposed under this article including information on  
26 records to be kept, returns and payments, notification requirements and  
27 forms. Such certificate of registration may be amended in accordance  
28 with rules promulgated by the commissioner.  
29 § 2. This act shall take effect immediately.

30 PART O

31 Section 1. Subdivision (a) of section 1401 of the tax law, as amended  
32 by chapter 576 of the laws of 1994, is amended to read as follows:

33 (a) (1) "Person" means an individual, partnership, limited liability  
34 company, society, association, joint stock company, corporation, estate,  
35 receiver, trustee, assignee, referee or any other person acting in a  
36 fiduciary or representative capacity, whether appointed by a court or  
37 otherwise, any combination of individuals, and any other form of unin-  
38 corporated enterprise owned or conducted by two or more persons.

39 (2) "Person" shall include any individual, corporation, partnership or  
40 limited liability company or an officer or employee of any corporation  
41 (including a dissolved corporation), or a member or employee of any  
42 partnership, or a member, manager or employee of a limited liability  
43 company, who as such officer, employee, manager or member is under a  
44 duty to act for such corporation, partnership, limited liability company  
45 or individual proprietorship in complying with any requirement of this  
46 article, or has so acted.

47 § 2. Subdivision (a) of section 1404 of the tax law, as amended by  
48 chapter 61 of the laws of 1989, is amended to read as follows:

49 (a) The real estate transfer tax imposed pursuant to section fourteen  
50 hundred two of this article shall be paid by the grantor and such tax  
51 shall not be payable, directly or indirectly, by the grantee except as  
52 provided in a contract between grantor and grantee or as otherwise  
53 provided in this section. If the grantor has failed to pay the tax  
54 imposed by this article at the time required by section fourteen hundred

1 ten of this article or if the grantor is exempt from such tax, the gran-  
2 tee shall have the duty to pay the tax. Where the grantee has the duty  
3 to pay the tax because the grantor has failed to pay, such tax shall be  
4 the joint and several liability of the grantor and the grantee; provided  
5 that in the event of such failure, the grantee shall have a cause of  
6 action against the grantor for recovery of payment of such tax, interest  
7 and penalties by the grantee. In the case of a conveyance of residen-  
8 tial real property as defined in subdivision (a) of section fourteen  
9 hundred two-a of this article, if the tax imposed by this article is  
10 paid by the grantee pursuant to a contract between the grantor and the  
11 grantee, the amount of such tax shall be excluded from the calculation  
12 of consideration subject to tax under this article.

13 § 3. Subdivision (a) of section 1409 of the tax law, as amended

14 § 3. Subdivision (a) of section 1409 of the tax law, as amended by  
15 chapter 297 of the laws of 2019, is amended to read as follows:

16 (a) (1) A joint return shall be filed by both the grantor and the  
17 grantee for each conveyance whether or not a tax is due thereon other  
18 than a conveyance of an easement or license to a public utility as  
19 defined in subdivision two of section one hundred eighty-six-a of this  
20 chapter or to a public utility which is a provider of telecommunication  
21 services as defined in subdivision one of section one hundred eighty-  
22 six-e of this chapter, where the consideration is two dollars or less  
23 and is clearly stated as actual consideration in the instrument of  
24 conveyance.

25 (2) When the grantor or grantee of a deed for a building used as resi-  
26 dential real property containing [~~one to four~~] up to four family  
27 dwelling units is a limited liability company, the joint return shall  
28 not be accepted for filing unless it is accompanied by a document which  
29 identifies the names and business addresses of all members, managers,  
30 and any other authorized persons, if any, of such limited liability  
31 company and the names and business addresses or, if none, the business  
32 addresses of all shareholders, directors, officers, members, managers  
33 and partners of any limited liability company or other business entity  
34 that are to be the members, managers or authorized persons, if any, of  
35 such limited liability company. The identification of such names and  
36 addresses shall not be deemed an unwarranted invasion of personal priva-  
37 cy pursuant to article six of the public officers law. If any such  
38 member, manager or authorized person of the limited liability company is  
39 itself a limited liability company or other business entity other than a  
40 publicly traded entity, a REIT, a UPREIT, or a mutual fund, the names  
41 and addresses of the shareholders, directors, officers, members, manag-  
42 ers and partners of the limited liability company or other business  
43 entity shall also be disclosed until full disclosure of ultimate owner-  
44 ship by natural persons is achieved. For purposes of this subdivision,  
45 the terms "members", "managers", "authorized person", "limited liability  
46 company" and "other business entity" shall have the same meaning as  
47 those terms are defined in section one hundred two of the limited  
48 liability company law.

49 (3) The return shall be filed with the recording officer before the  
50 instrument effecting the conveyance may be recorded. However, if the tax  
51 is paid to the commissioner pursuant to section fourteen hundred ten of  
52 this article, the return shall be filed with such commissioner at the  
53 time the tax is paid. In that instance, a receipt evidencing the filing  
54 of the return and the payment of tax shall be filed with the recording  
55 officer before the instrument effecting the conveyance may be recorded.

1 The recording officer shall handle such receipt in the same manner as a  
2 return filed with the recording officer.

3 § 4. Subdivision (h) of section 1418 of the tax law, as added by  
4 section 7 of part X of chapter 56 of the laws of 2010 and as further  
5 amended by subdivision (c) of section 1 of part W of chapter 56 of the  
6 laws of 2010, is amended to read as follows:

7 (h) Notwithstanding the provisions of subdivision (a) of this section,  
8 the commissioner may furnish information relating to real property  
9 transfers obtained or derived from returns filed pursuant to this arti-  
10 cle in relation to the real estate transfer tax, to the extent that such  
11 information is also required to be reported to the commissioner by  
12 section three hundred thirty-three of the real property law and section  
13 five hundred seventy-four of the real property tax law and the rules  
14 adopted thereunder, provided such information was collected through a  
15 combined process established pursuant to an agreement entered into with  
16 the commissioner pursuant to paragraph viii of subdivision one-e of  
17 section three hundred thirty-three of the real property law. The commis-  
18 sioner may redisclose such information to the extent authorized by  
19 section five hundred seventy-four of the real property tax law. The  
20 commissioner may also disclose any information reported pursuant to  
21 paragraph two of subdivision (a) of section fourteen hundred nine of  
22 this article.

23 § 5. This act shall take effect immediately; provided however that  
24 sections one and two of this act shall take effect July 1, 2021, and  
25 shall apply to conveyances occurring on or after such date other than  
26 conveyances that are made pursuant to binding written contracts entered  
27 into on or before April 1, 2021, provided that the date of execution of  
28 such contract is confirmed by independent evidence, such as the record-  
29 ing of the contract, payment of a deposit or other facts and circum-  
30 stances as determined by the commissioner of taxation and finance.

31 PART P

32 Section 1. Section 480-a of the tax law is amended by adding a new  
33 subdivision 6 to read as follows:

34 6. (a) No retail dealer who has its retail dealer registration  
35 cancelled, suspended or revoked pursuant to this section or has been  
36 forbidden from selling cigarettes or tobacco products pursuant to para-  
37 graph (j) of subdivision one of section four hundred eighty of this  
38 article shall possess cigarettes or tobacco products in any place of  
39 business, cart, stand, truck or other merchandising device in this state  
40 beginning on the tenth day after such cancellation, suspension, revoca-  
41 tion, or forbiddance and continuing for the duration of the same;  
42 provided however, such retail dealer shall not be prohibited before the  
43 tenth day after such cancellation, suspension, revocation, or forbid-  
44 dance from selling or transferring its inventory of lawfully stamped  
45 cigarettes or tobacco products on which the taxes imposed by this arti-  
46 cle have been assumed or paid to a properly registered retail dealer  
47 whose registration is not cancelled, suspended, or revoked or who has  
48 not been forbidden from selling cigarettes or tobacco products.

49 (b) No retail dealer shall possess cigarettes or tobacco products in  
50 any place of business, cart, stand, truck or other merchandising device  
51 in this state unless it has obtained a valid retail dealer registration  
52 from the commissioner.

53 (c) The possession of cigarettes or tobacco products in violation of  
54 paragraph (a) or (b) of this subdivision shall be presumptive evidence

1 that such cigarettes or tobacco products are being sold in violation of  
2 this section and section four hundred eighty of this article and, in  
3 addition to any other applicable penalties, shall be subject to the  
4 penalties authorized by subdivision three of this section.

5 § 2. Subparagraph (A) of paragraph (4) of subdivision (a) of section  
6 eleven hundred thirty-four of the tax law, as amended by chapter 59 of  
7 the laws of 2020, is amended to read as follows: (A) Where a person who  
8 holds a certificate of authority (i) willfully fails to file a report or  
9 return required by this article, (ii) willfully files, causes to be  
10 filed, gives or causes to be given a report, return, certificate or  
11 affidavit required under this article which is false, (iii) willfully  
12 fails to comply with the provisions of paragraph two or three of subdi-  
13 vision (e) of section eleven hundred thirty-seven of this article, (iv)  
14 willfully fails to prepay, collect, truthfully account for or pay over  
15 any tax imposed under this article or pursuant to the authority of arti-  
16 cle twenty-nine of this chapter, (v) fails to obtain a bond pursuant to  
17 paragraph two of subdivision (e) of section eleven hundred thirty-seven  
18 of this part, or fails to comply with a notice issued by the commission-  
19 er pursuant to paragraph three of such subdivision, (vi) has been  
20 convicted of a crime provided for in this chapter, [~~or~~] (vii) where such  
21 person, or any person affiliated with such person as such term is  
22 defined in subdivision twenty-one of section four hundred seventy of  
23 this chapter, has had a retail dealer registration issued pursuant to  
24 section four hundred eighty-a of this chapter revoked pursuant to  
25 subparagraph (iii) of paragraph (a) of subdivision four of such section  
26 four hundred eighty-a, or (viii) has not obtained a valid retail dealer  
27 registration under section four hundred eighty-a of this chapter and  
28 such person possesses or sells unstamped or unlawfully stamped packages  
29 of cigarettes three or more times within a period of five years, the  
30 commissioner may revoke or suspend such certificate of authority and all  
31 duplicates thereof. Provided, however, that the commissioner may revoke  
32 or suspend a certificate of authority based on (a) the grounds set forth  
33 in clause (vi) of this subparagraph only where the conviction referred  
34 to occurred not more than one year prior to the date of revocation or  
35 suspension; and provided further that where the commissioner revokes or  
36 suspends a certificate of authority based on the grounds set forth in  
37 clause (vii) of this subparagraph, such suspension or revocation shall  
38 continue for as long as the revocation of the retail dealer registration  
39 pursuant to section four hundred eighty-a of this chapter remains in  
40 effect, or (b) the grounds set forth in clause (viii) of this subpara-  
41 graph, such suspension or revocation shall be for a period of five  
42 years.

43 § 3. Subparagraph (B) of paragraph (4) of subdivision (a) of section  
44 eleven hundred thirty-four of the tax law, as amended by chapter 59 of  
45 the laws of 2020, is amended to read as follows:

46 (B) Where a person files a certificate of registration for a certif-  
47 icate of authority under this subdivision and in considering such appli-  
48 cation the commissioner ascertains that (i) any tax imposed under this  
49 chapter or any related statute, as defined in section eighteen hundred  
50 of this chapter, has been finally determined to be due from such person  
51 and has not been paid in full, (ii) a tax due under this article or any  
52 law, ordinance or resolution enacted pursuant to the authority of arti-  
53 cle twenty-nine of this chapter has been finally determined to be due  
54 from an officer, director, partner or employee of such person, and,  
55 where such person is a limited liability company, also a member or  
56 manager of such person, in the officer's, director's, partner's,

1 member's, manager's or employee's capacity as a person required to  
2 collect tax on behalf of such person or another person and has not been  
3 paid, (iii) such person has been convicted of a crime provided for in  
4 this chapter within one year from the date on which such certificate of  
5 registration is filed, (iv) an officer, director, partner or employee of  
6 such person, and, where such person is a limited liability company, also  
7 a member or manager of such person, which officer, director, partner,  
8 member, manager or employee is a person required to collect tax on  
9 behalf of such person filing a certificate of registration has in the  
10 officer's, director's, partner's, member's, manager's or employee's  
11 capacity as a person required to collect tax on behalf of such person or  
12 of another person been convicted of a crime provided for in this chapter  
13 within one year from the date on which such certificate of registration  
14 is filed, (v) a shareholder owning more than fifty percent of the number  
15 of shares of stock of such person (where such person is a corporation)  
16 entitling the holder thereof to vote for the election of directors or  
17 trustees, who owned more than fifty percent of the number of such shares  
18 of another person (where such other person is a corporation) at the time  
19 any tax imposed under this chapter or any related statute as defined in  
20 section eighteen hundred of this chapter was finally determined to be  
21 due and where such tax has not been paid in full, or at the time such  
22 other person was convicted of a crime provided for in this chapter with-  
23 in one year from the date on which such certificate of registration is  
24 filed, (vi) a certificate of authority issued to such person has been  
25 revoked or suspended pursuant to subparagraph (A) of this paragraph  
26 within one year from the date on which such certificate of registration  
27 is filed, ~~(vii)~~ (vii) a retail dealer registration issued pursuant to  
28 section four hundred eighty-a of this chapter to such person, or to any  
29 person affiliated with such person as such term is defined in subdivi-  
30 sion twenty-one of section four hundred seventy of this chapter, has  
31 been revoked pursuant to subparagraph (iii) of paragraph (a) of subdivi-  
32 sion four of such section four hundred eighty-a, where such revocation  
33 remains in effect, or (viii) such person has not obtained a valid retail  
34 dealer registration under section four hundred eighty-a of this chapter  
35 and has possessed or sold unstamped or unlawfully stamped packages of  
36 cigarettes three or more times within a period of five years, the  
37 commissioner may refuse to issue a certificate of authority; provided  
38 however that under the circumstances described in clause (viii) of this  
39 subparagraph, such person shall not be eligible to submit a certificate  
40 of registration for a certificate of authority until five years after  
41 its last possession or sale of unstamped or unlawfully stamped packages  
42 of cigarettes within such five year period.

43 § 4. Any retail dealer who, prior to the effective date of this act,  
44 had its retail dealer registration cancelled, suspended, or revoked  
45 pursuant to section four hundred eighty-a of the tax law or was forbid-  
46 den from selling cigarettes or tobacco products pursuant to paragraph  
47 (j) of subdivision one of section four hundred eighty of the tax law and  
48 such cancellation, suspension, revocation, or forbiddance remains in  
49 effect as of the effective date of this act, shall be prohibited from  
50 possessing cigarettes and tobacco products beginning on the tenth day  
51 after the effective date of this act and continuing for as long as such  
52 cancellation, suspension, revocation, or forbiddance shall remain in  
53 effect; provided however, such retail dealer shall not be prohibited  
54 before the tenth day after the effective date of this act from selling  
55 or transferring its inventory of lawfully stamped cigarettes or tobacco  
56 products on which the taxes imposed by this article have been assumed or

1 paid to a properly registered retail dealer whose registration is not  
2 cancelled, suspended, or revoked or who has not been forbidden from  
3 selling cigarettes or tobacco products.  
4 § 5. This act shall take effect immediately.

5 PART Q

6 Section 1. Subdivision 1 of section 429 of the tax law, as amended by  
7 chapter 433 of the laws of 1978, is amended to read as follows:

8 1. Every distributor, noncommercial importer or other person shall, on  
9 or before the twentieth day of each month, file with the department of  
10 taxation and finance a return, on forms to be prescribed by the [~~tax~~  
11 ~~commission~~] commissioner and furnished by such department, stating sepa-  
12 rately the number of gallons, or lesser quantity, of beers, and the  
13 number of liters, or lesser quantity, of wines and liquors sold or used  
14 by such distributor, noncommercial importer or other person in this  
15 state during the preceding calendar month, except that the [~~tax commis-~~  
16 ~~sion~~] commissioner may, if [~~it~~] he or she deems it necessary [~~in order~~]  
17 to [~~insure~~] facilitate the efficient reporting and payment of the tax  
18 imposed by this article, require returns to be made at such times and  
19 covering such periods as [~~it~~] he or she may deem necessary. Such return  
20 shall contain such further information as the [~~tax commission~~] commis-  
21 sioner shall require. The fact that the name of the distributor, noncom-  
22 mercial importer or other person is signed to a filed return shall be  
23 prima facie evidence for all purposes that the return was actually  
24 signed by such distributor, noncommercial importer or other person.

25 § 2. Section 505 of the tax law, as amended by section 2 of part E of  
26 chapter 60 of the laws of 2007, is amended to read as follows:

27 § 505. Returns. Every carrier subject to this article and every carri-  
28 er to whom a certificate of registration was issued shall file on or  
29 before the last day of each month a return for the preceding calendar  
30 month where a carrier's total tax liability under this article for the  
31 preceding calendar year exceeded [~~four~~] twelve thousand dollars. Where a  
32 carrier's total tax liability under this article for the preceding  
33 calendar year did not exceed [~~four~~] twelve thousand dollars or where a  
34 carrier was not subject to such tax in the preceding calendar year,  
35 returns shall be filed quarterly, on or before the last day of the  
36 calendar month following each of the calendar quarters: January through  
37 March, April through June, July through September and October through  
38 December. Provided, however, if the commissioner consents thereto in  
39 writing, any carrier may file a return on or before the thirtieth day  
40 after the close of any different period, if the carrier's books are  
41 regularly kept on a periodic basis other than a calendar month or quar-  
42 ter. The commissioner may permit the filing of returns on an annual  
43 basis, provided the carrier was subject to the tax under this article  
44 during the entire preceding calendar year and the carrier's total tax  
45 liability under this article for such year did not exceed [~~two hundred~~  
46 ~~fifty~~] twelve hundred dollars. Such annual returns shall be filed on or  
47 before January thirty-first of the succeeding calendar year. Returns  
48 shall be filed with the commissioner on forms to be furnished by such  
49 commissioner for such purpose and shall contain such data, information  
50 or matter as the commissioner may require to be included therein. The  
51 fact that a carrier's name is signed to a filed return shall be prima  
52 facie evidence for all purposes that the return was actually signed by  
53 such carrier. The commissioner may grant a reasonable extension of time  
54 for filing returns whenever good cause exists and may waive the filing

1 of returns if a carrier is not subject to the tax imposed by this arti-  
2 cle for the period covered by the return. Every return shall have  
3 annexed thereto a certification to the effect that the statements  
4 contained therein are true.

5 § 3. This act shall take effect immediately; provided, however, that  
6 section two of this act shall apply to tax returns for taxable periods  
7 beginning on or after January 1, 2022.

8

## PART R

9 Section 1. Section 1280 of the tax law is amended by adding a new  
10 subdivision (v) to read as follows:

11 (v) "Technology service provider" or "TSP" means a person that acts by  
12 employment, contract or otherwise on behalf of one or more taxicab  
13 owners or HAIL vehicle owners to collect the trip record for a taxicab  
14 trip or HAIL vehicle trip.

15 § 2. Subdivision (b) of section 1283 of the tax law, as amended by  
16 chapter 9 of the laws of 2012, is amended to read as follows:

17 (b) (1) If the taxicab owner has designated an agent, then the agent  
18 shall be jointly liable with the taxicab owner for the tax on trips  
19 occurring during the period that such designation is in effect. Even if  
20 the TLC has specified that the taxicab owner's agent cannot operate as  
21 an agent, that agent shall be jointly liable with the taxicab owner if  
22 the agent has acted for the taxicab owner. During the period that a  
23 taxicab owner's designation of an agent is in effect, the agent shall  
24 file the returns required by this article and pay any tax due with such  
25 return, but the taxicab owner shall not be relieved of liability for  
26 tax, penalty or interest due under this article, or for the filing of  
27 returns required to be filed, unless the agent has timely filed accurate  
28 returns and timely paid the tax required to be paid under this article.  
29 If a taxicab owner has designated an agent, then the agent must perform  
30 any act this article requires the taxicab owner to perform, but the  
31 failure of such agent to perform any such act shall not relieve the  
32 taxicab owner from the obligation to perform such act or from any  
33 liability that may arise from failure to perform the act.

34 (2) (A) Notwithstanding the foregoing, a TSP that collects the trip  
35 record and the trip fare on behalf of a taxicab owner or a HAIL vehicle  
36 owner shall be jointly liable with the taxicab owner or HAIL vehicle  
37 owner for the tax due on such trips. For any period that the TSP  
38 collects trip records on behalf of a taxicab owner or HAIL vehicle  
39 owner, the TSP shall file returns reporting all trip records and, after  
40 retaining any fees to which it is entitled pursuant to a contract with  
41 such taxicab owner or HAIL vehicle owner, shall remit the taxes due on  
42 all fares collected by the TSP.

43 (B) The TSP, after retaining the fees described in subparagraph (A) of  
44 this paragraph, shall also remit the taxes due on any taxicab trip or  
45 HAIL vehicle trip for which it maintained the trip record but did not  
46 collect the fare, from any fares it collected on behalf of any such  
47 taxicab owner or HAIL vehicle owner, before it releases any proceeds to  
48 the taxicab owner or HAIL vehicle owner. If the TSP fails to comply  
49 with the requirements of this subparagraph, such TSP shall be liable for  
50 the taxes due on such trips up to the amount it released to the taxicab  
51 owner or HAIL vehicle owner, or any person on behalf of such taxicab  
52 owner or HAIL vehicle owner. However, the taxicab owner, HAIL vehicle  
53 owner or their agents shall not be relieved of any liability for the  
54 tax, penalty or interest due under this article, or for filing of



1 returns required to be filed, unless the TSP has timely filed accurate  
2 returns and timely paid the tax required to be paid under this article.

3 § 3. Subdivision (a) of section 1299-B of the tax law, as added by  
4 section 2 of part NNN of chapter 59 of the laws of 2018, is amended to  
5 read as follows:

6 (a) Notwithstanding any provision of law to the contrary, any person  
7 that dispatches a motor vehicle by any means that provides transporta-  
8 tion that is subject to a surcharge imposed by this article, including  
9 transportation network companies as defined in article forty-four-B of  
10 the vehicle and traffic law, shall be liable for the surcharge imposed  
11 by this article, except that in the case of taxicab trips and HAIL vehi-  
12 cle trips that are also subject to tax pursuant to article twenty-nine-A  
13 of this chapter[~~, only the taxicab owner or HAIL base liable for that~~  
14 ~~tax shall be the person liable for the surcharge imposed by this arti-~~  
15 ~~cle]; (1) the TSP shall be liable for the surcharge imposed by this~~  
16 ~~article for all trips for which the TSP collected the trip record and~~  
17 ~~the surcharge, and shall be responsible for filing returns; and, after~~  
18 ~~retaining any fees to which it is entitled pursuant to a contract with~~  
19 ~~such taxicab owner or HAIL vehicle owner, shall remit the surcharges on~~  
20 ~~such trips to the department.~~

21 (2) the TSP, after retaining the fees described in paragraph one of  
22 this subdivision, shall also remit the surcharges due on any taxicab  
23 trip or HAIL vehicle trip for which it maintained the trip record but  
24 did not collect the fare, from any fares it collected on behalf of any  
25 such taxicab owner or HAIL vehicle owner, before it releases any  
26 proceeds to the taxicab owner or HAIL vehicle owner. Whenever the TSP  
27 fails to comply with the requirements of the preceding sentence, the TSP  
28 shall be liable for the surcharges due on such trips up to the amount it  
29 released to the taxicab owner or HAIL vehicle owner, or any person on  
30 behalf of such taxicab owner or HAIL vehicle owner. However, the taxi-  
31 cab owner or HAIL base shall be jointly and severally liable with the  
32 TSP for such surcharges. For purposes of this section, the terms "taxi-  
33 cab trips," "HAIL vehicle trips," "taxicab owner," [and] "HAIL base",  
34 and "TSP" shall have the same meaning as they do in section twelve  
35 hundred eighty of this chapter.

36 § 4. Section 1299-F of the tax law is amended by adding a new subdivi-  
37 sion (e) to read as follows:

38 (e) Notwithstanding the provisions of subdivision (a) of this section,  
39 the commissioner may, in his or her discretion, permit the proper offi-  
40 cer of the taxi and limousine commission of the city of New York (TLC)  
41 or the duly authorized representative of such officer, to inspect any  
42 return filed under this article, or may furnish to such officer or such  
43 officer's authorized representative an abstract of any such return or  
44 supply such person with information concerning an item contained in any  
45 such return, or disclosed by any investigation of tax liability under  
46 this article; but such permission shall be granted or such information  
47 furnished only if the TLC shall have furnished the commissioner with all  
48 information requested by the commissioner pursuant to this article and  
49 shall have permitted the commissioner or the commissioner's authorized  
50 representative to make any inspection of any records or reports concern-  
51 ing for-hire transportation trips subject to the surcharge imposed by  
52 this article, and any persons required to collect such surcharge, filed  
53 with or possessed by the TLC that the commissioner may have requested  
54 from the TLC. Provided, further, that the commissioner may disclose to  
55 the TLC whether or not a person liable for the surcharge imposed by this

1 article has paid all of the surcharges due under this article as of any  
2 given date.

3 § 5. This act shall take effect immediately and shall apply to trips  
4 occurring on or after July 1, 2021.

5 PART S

6 Section 1. Paragraph 1 of subdivision (g) of section 32 of the tax  
7 law, as added by section 2 of part VV of chapter 59 of the laws of 2009,  
8 is amended to read as follows:

9 (1) If a tax return preparer or facilitator is required to register or  
10 re-register with the department pursuant to paragraph one or three of  
11 subdivision (b) of this section, as applicable, and fails to do so in  
12 accordance with the terms of this section, then the tax return preparer  
13 [~~of~~] or facilitator must pay a penalty of [~~two~~] five hundred [~~fifty~~]  
14 dollars. Provided, however, that if the tax return preparer or facili-  
15 tator complies with the registration requirements of this section within  
16 ninety calendar days after notification of assessment of this penalty is  
17 sent by the department, then this penalty must be abated. If the tax  
18 return preparer or facilitator continues to fail to register or re-re-  
19 gister after the ninety calendar day period, the tax return preparer or  
20 facilitator must pay an additional penalty of [~~five hundred~~] one thou-  
21 sand dollars if the failure is for not more than one month, with an  
22 additional [~~five hundred~~] one thousand dollars for each additional month  
23 or fraction thereof during which the failure continues. Once the ninety  
24 calendar days specified in this paragraph have expired, the penalty can  
25 be waived only for good cause shown by the tax return preparer or faci-  
26 litator.

27 § 2. Paragraph 2 of subdivision (g) of section 32 of the tax law, as  
28 added by section 2 of part VV of chapter 59 of the laws of 2009, is  
29 amended to read as follows:

30 (2) If a commercial tax return preparer fails to pay the fee as  
31 required in paragraph one of subdivision (c) of this section, for a  
32 calendar year, then the commercial tax return preparer must pay a penal-  
33 ty of fifty dollars for each return the commercial tax return preparer  
34 has filed with the department in that calendar year. [~~Provided however,~~  
35 ~~that if the commercial tax return preparer complies with the payment~~  
36 ~~requirements of paragraph one of subdivision (c) of this section, within~~  
37 ~~ninety calendar days after notification of the assessment of this penal-~~  
38 ~~ty is sent by the department, then this penalty must be abated.~~] The  
39 maximum penalty that may be imposed under this paragraph on any commer-  
40 cial tax return preparer during any calendar year must not exceed [~~five~~]  
41 ten thousand dollars. [~~Once the ninety calendar days specified in this~~  
42 ~~paragraph have expired, the~~] The penalty can be waived only for good  
43 cause shown by the commercial tax return preparer.

44 § 3. Section 32 of the tax law is amended by adding a new subdivision  
45 (h) to read as follows:

46 (h) (1) Tax return preparers and facilitators must prominently and  
47 conspicuously display a copy of their registration certificate issued  
48 pursuant to this section, for the current registration period, at their  
49 place of business and at any other location where they provide tax  
50 return preparation and/or facilitation services, in an area where  
51 taxpayers using their services are able to see and review such registra-  
52 tion certificate.

53 (2) Tax return preparers and facilitators must prominently and  
54 conspicuously display at their place of business and at any other

1 location where they provide tax return preparation and/or facilitation  
2 services the following documents:

3 (A) a current price list, in at least fourteen-point type, that  
4 includes, but is not limited to, a list of all services offered by the  
5 tax return preparer and/or facilitator; the minimum fee charged for each  
6 service, including the fee charged for each type of federal or New York  
7 state tax return to be prepared and facilitation service to be provided;  
8 and a list of each factor that may increase a stated fee and the specif-  
9 ic additional fees or range of possible additional fees when each factor  
10 applies; and

11 (B) a copy of the most recent Consumer Bill of Rights Regarding Tax  
12 Preparers published by the department pursuant to section three hundred  
13 seventy-two of the general business law.

14 (3) A tax return preparer or facilitator who fails to comply with any  
15 of the requirements of this subdivision must pay a penalty of five  
16 hundred dollars; provided, however, that if the tax return preparer or  
17 facilitator complies with the display requirements of this section with-  
18 in ninety calendar days after notification of assessment of this penalty  
19 is sent by the department, then this penalty must be abated. If the  
20 tax return preparer or facilitator continues to fail to display a copy  
21 of their registration certificate, a current price list, the minimum fee  
22 charged for each service, and a copy of the most recent Consumer Bill of  
23 Rights Regarding Tax Preparers after the ninety calendar day period, the  
24 tax return preparer or facilitator must pay an additional penalty  
25 of one thousand dollars for each additional month or fraction thereof  
26 during which the failure continues. Once the ninety calendar days speci-  
27 fied in this paragraph have expired, the penalty can be waived only  
28 for good cause shown by the tax return preparer or facilitator.

29 § 4. The second subdivision (g) of section 32 of the tax law is relet-  
30 tered subdivision (i).

31 § 5. This act shall take effect immediately; provided, however, that  
32 paragraph (3) of subdivision (h) of section 32 of the tax law, as added  
33 by section three of this act, shall take effect January 1, 2022.

34 PART T

35 Intentionally Omitted

36 PART U

37 Section 1. Paragraphs i and v of subdivision 1-e of section 333 of the  
38 real property law, as amended by section 5 of part X of chapter 56 of  
39 the laws of 2010 and as further amended by subdivision (d) of section 1  
40 of part W of chapter 56 of the laws of 2010, are amended to read as  
41 follows:

42 i. A recording officer shall not record or accept for [~~record~~] record-  
43 ing any conveyance of real property affecting land in New York state  
44 unless accompanied by one of the following:

45 (1) a receipt issued by the commissioner of taxation and finance  
46 pursuant to subdivision (c) of section fourteen hundred twenty-three of  
47 the tax law; or

48 (2) a transfer report form prescribed by the commissioner of taxation  
49 and finance [~~or in lieu thereof, confirmation from the commissioner that~~  
50 ~~the required data has been reported to it pursuant to paragraph vii of~~

1 ~~this subdivision~~], and the fee prescribed pursuant to subdivision three  
2 of this section.

3 v. (1) The provisions of this subdivision shall not operate to invali-  
4 date any conveyance of real property where one or more of the items  
5 designated as subparagraphs one through eight of paragraph ii of this  
6 subdivision, have not been reported or which has been erroneously  
7 reported, nor affect the record contrary to the provisions of this  
8 subdivision, nor impair any title founded on such conveyance or record.  
9 [~~Such~~]

10 (2) Subject to the provisions of section fourteen hundred twenty-three  
11 of the tax law, such form shall contain an affirmation as to the accura-  
12 cy of the contents made both by the transferor or transferors and by the  
13 transferee or transferees. Provided, however, that if the conveyance of  
14 real property occurs as a result of a taking by eminent domain, tax  
15 foreclosure, or other involuntary proceeding such affirmation may be  
16 made only by either the condemnor, tax district, or other party to whom  
17 the property has been conveyed, or by that party's attorney. The affir-  
18 mations required by this paragraph shall be made in the form and manner  
19 prescribed by the commissioner, provided that notwithstanding any  
20 provision of law to the contrary, affirmants may be allowed, but shall  
21 not be required, to sign such affirmations electronically.

22 § 2. Paragraphs vii and viii of subdivision 1-e of section 333 of the  
23 real property law are REPEALED.

24 § 3. Subdivision 3 of section 333 of the real property law, as amended  
25 by section 2 of part JJ of chapter 56 of the laws of 2009 and as further  
26 amended by subdivision (d) of section 1 of part W of chapter 56 of the  
27 laws of 2010, is amended to read as follows:

28 3. [~~The~~] (i) When a recording officer [of every county and the city of  
29 New York] is presented with a conveyance for recording that is accompa-  
30 nied by a receipt issued by the commissioner of taxation and finance  
31 pursuant to subdivision (c) of section fourteen hundred twenty-three of  
32 the tax law, such recording officer shall be relieved of the responsi-  
33 bility to collect the fee described by this subdivision. He or she  
34 shall nonetheless be entitled to the portion of such fee that he or she  
35 would otherwise have deducted pursuant to this subdivision, as provided  
36 by subdivision (b) of section fourteen hundred twenty-three of the tax  
37 law.

38 (ii) When a recording officer is presented with a conveyance for  
39 recording that is not accompanied by such a receipt, he or she shall  
40 impose a fee of two hundred fifty dollars, or in the case of a transfer  
41 involving qualifying residential or farm property as defined by para-  
42 graph iv of subdivision one-e of this section, a fee of one hundred  
43 twenty-five dollars, for every real property transfer reporting form  
44 submitted for recording as required under subparagraph two of paragraph  
45 i of subdivision one-e of this section. In the city of New York, the  
46 recording officer shall impose a fee of one hundred dollars for each  
47 real property transfer tax form filed in accordance with chapter twen-  
48 ty-one of title eleven of the administrative code of the city of New  
49 York, except where a real property transfer reporting form is also  
50 submitted for recording for the transfer as required under subparagraph  
51 two of paragraph i of subdivision one-e of this section. The recording  
52 officer shall deduct nine dollars from such fee and remit the remainder  
53 of the revenue collected to the commissioner of taxation and finance  
54 every month for deposit into the general fund. The amount duly deducted  
55 by the recording officer shall be retained by the county or by the city  
56 of New York.

1 § 4. Subsection (d) of section 663 of the tax law, as amended by  
2 section 1 of part P of chapter 686 of the laws of 2003, is amended to  
3 read as follows:

4 (d) A recording officer shall not record or accept for [~~record~~]  
5 recording any deed unless one of the following conditions is satisfied:

6 (1) it is accompanied by a receipt issued by the commissioner indicat-  
7 ing that the estimated tax required by this section has been paid to the  
8 commissioner either electronically or as otherwise prescribed by him or  
9 her;

10 (2) it is accompanied by a form prescribed by the commissioner pursu-  
11 ant to subsection (b) of this section and the payment of any estimated  
12 tax shown as payable on such form[~~r~~]; or [~~unless~~]

13 (3) such receipt or form includes a certification by the transferor  
14 that this section is inapplicable to the sale or transfer.

15 § 5. Subdivision (c) of section 1407 of the tax law, as amended by  
16 chapter 61 of the laws of 1989, is amended to read as follows:

17 (c) [~~Every~~] 1. When a recording officer designated to act as such  
18 agent is presented with a conveyance for recording that is accompanied  
19 by a receipt issued by the commissioner pursuant to subdivision (c) of  
20 section fourteen hundred twenty-three of this article, such recording  
21 officer shall be relieved of the responsibility to collect the real  
22 estate transfer tax thereon. He or she shall nonetheless be entitled to  
23 the portion of such tax that he or she would otherwise have retained  
24 pursuant to this subdivision, as provided by subdivision (b) of section  
25 fourteen hundred twenty-three of the tax law.

26 2. When a recording officer is presented with a conveyance for record-  
27 ing that is not accompanied by a receipt described in paragraph one of  
28 this subdivision, he or she shall collect the applicable real estate  
29 transfer tax and shall retain, from the real estate transfer tax which  
30 he or she collects, the sum of one dollar for each of the first five  
31 thousand conveyances accepted for recording and for which he or she has  
32 issued a documentary stamp or metering machine stamp or upon which  
33 instrument effecting the conveyance he or she has noted payment of the  
34 tax or that no tax is due, pursuant to any other method for payment of  
35 the tax provided for in the regulations of the commissioner of taxation  
36 and finance, during each annual period commencing on the first day of  
37 August and ending on the next succeeding thirty-first day of July and  
38 seventy-five cents for each conveyance in excess of five thousand  
39 accepted for recording and for which he or she has issued such a stamp  
40 or upon which instrument effecting the conveyance he or she has noted  
41 payment of the tax or that no tax is due, pursuant to such other method,  
42 during such annual period. Such fee shall be payable even though the  
43 stamp issued or such notation shows that no tax is due. Such a fee paid  
44 to the register of the city of New York shall belong to the city of New  
45 York and such a fee paid to a recording officer of a county outside such  
46 city shall belong to such officer's county. With respect to any other  
47 agents designated to act pursuant to subdivision (a) of this section,  
48 the commissioner of taxation and finance shall have the power to  
49 provide, at his or her discretion, for payment of a fee to such agent,  
50 in such manner and amount and subject to such limitations as he or she  
51 may determine, but any such fee for any annual period shall not be  
52 greater than the sum of one dollar for each of the first five thousand  
53 conveyances for which such agent has issued a documentary stamp or  
54 metering machine stamp or upon which instrument effecting the conveyance  
55 he or she has noted payment of the tax or that no tax is due, pursuant  
56 to any other method for payment of the tax provided for in the regu-

1 lations of the commissioner of taxation and finance, during such annual  
2 period and seventy-five cents for each conveyance in excess of five  
3 thousand for which such agent has issued such a stamp or upon which  
4 instrument effecting the conveyance such agent has noted payment of the  
5 tax or that no tax is due, pursuant to such other method, during such  
6 annual period.

7 § 6. Subdivision (b) of 1409 of the tax law, as added by chapter 61 of  
8 the laws of 1989, is amended to read as follows:

9 (b) [The] Subject to the provisions of section fourteen hundred twenty-  
10 three of this article, the return shall be signed by both the grantor  
11 and the grantee. Where a conveyance has more than one grantor or more  
12 than one grantee, the return shall be signed by all of such grantors and  
13 grantees. Where any or all of the grantors or any or all of the grantees  
14 have failed to sign a return, it shall be accepted as a return if signed  
15 by any one of the grantors or by any one of the grantees. Provided,  
16 however, those not signing the return shall not be relieved of any  
17 liability for the tax imposed by this article and the period of limita-  
18 tions for assessment of tax or of additional tax shall not apply to any  
19 such party.

20 § 7. Subdivision (b) of section 1410 of the tax law, as added by chap-  
21 ter 61 of the laws of 1989, is amended to read as follows:

22 (b) A recording officer shall not record an instrument effecting a  
23 conveyance unless one of the following conditions is satisfied:

24 (1) the instrument is accompanied by a receipt issued by the commis-  
25 sioner pursuant to subdivision (c) of section fourteen hundred twenty-  
26 three of this article; or

27 (2) the return required by section fourteen hundred nine of this arti-  
28 cle has been filed and the real estate transfer tax due, if any, shall  
29 have been paid as provided in this section.

30 § 8. The tax law is amended by adding a new section 1423 to read as  
31 follows:

32 § 1423. Modernization of real property transfer reporting. (a)  
33 Notwithstanding any provision of law to the contrary, the commissioner  
34 is hereby authorized to implement a system for the electronic collection  
35 of data relating to transfers of real property. In connection therewith,  
36 the commissioner may combine the two forms referred to in paragraph one  
37 of this subdivision into a consolidated real property transfer form to  
38 be filed with him or her electronically; provided:

39 (1) The two forms that may be so combined are the real estate transfer  
40 tax return required by section fourteen hundred nine of this article,  
41 and the real property transfer report required by subdivision one-e of  
42 section three hundred thirty-three of the real property law. However,  
43 the commissioner shall continue to maintain both such return and such  
44 report as separate forms, so that a party who prefers not to file a  
45 consolidated real property transfer form with the commissioner electron-  
46 ically shall have the option of filing both such return and such report  
47 with the recording officer, as otherwise provided by law. Under no  
48 circumstances shall a consolidated real property transfer form be filed  
49 with, or accepted by, the recording officer.

50 (2) Notwithstanding the provisions of section fourteen hundred eigh-  
51 teen of this article, any information appearing on a consolidated real  
52 property transfer form that is required to be included on the real prop-  
53 erty transfer report required by subdivision one-e of section three  
54 hundred thirty-three of the real property law shall be subject to public  
55 disclosure.

1     (3) When a consolidated real property transfer form is electronically  
2 submitted to the department by either the grantor or grantee or a duly  
3 authorized agent thereof, the act of submitting such form shall be  
4 deemed to be the signing of the return as required by paragraph (v) of  
5 subdivision one-e of the real property law or subdivision (b) of section  
6 fourteen hundred nine of this article, and the requirement that all the  
7 grantors and grantees shall sign the return shall not apply. However,  
8 the fact that a grantor or grantee has not electronically submitted the  
9 form shall not relieve that grantor or grantee of any liability for the  
10 tax imposed by this article.

11     (b) When a consolidated real property transfer form is filed with the  
12 commissioner electronically pursuant to this section, the real estate  
13 transfer tax imposed under this article, and the fee that would other-  
14 wise be retained by the recording officer pursuant to subdivision three  
15 of section three hundred thirty-three of the real property law, shall be  
16 paid to the commissioner therewith. The commissioner shall retain on  
17 behalf of the recording officer the portion of such tax that would  
18 otherwise have been retained by the recording officer pursuant to subdi-  
19 vision (c) of section fourteen hundred seven of this article, and the  
20 portion of such fee that would otherwise have been retained by the  
21 recording officer pursuant to subdivision three of section three hundred  
22 thirty-three of the real property law. The moneys so retained by the  
23 commissioner on behalf of the recording officer, hereinafter referred to  
24 as the recording officer's fees, shall be deposited daily with such  
25 responsible banks, banking houses, or trust companies as may be desig-  
26 nated by the state comptroller. Of the recording officer's fees so  
27 deposited, the comptroller shall retain in the comptroller's hands such  
28 amount as the commissioner may determine to be necessary for refunds or  
29 reimbursements of such fees collected or received pursuant to this  
30 section, out of which the comptroller shall pay any refunds or  
31 reimbursements of such fees to which persons shall be entitled under the  
32 provisions of this section. The comptroller, after reserving such refund  
33 and reimbursement fund shall, on or before the twelfth day of each  
34 month, pay to the appropriate recording officers an amount equal to the  
35 recording officer's fees reserved on their behalf. Provided, however,  
36 that the commissioner is authorized to request that the comptroller  
37 refrain from making such a payment of such fees to a recording officer  
38 until the commissioner has certified to the comptroller that the record-  
39 ing officer has supplied the commissioner with the liber and page  
40 numbers of the recorded instruments that gave rise to such fees.

41     (c) The system for the electronic submission of consolidated real  
42 property transfer forms shall be designed so that upon the successful  
43 electronic filing of such a form and the payment of the associated taxes  
44 and fees, the party submitting the same shall be provided with an elec-  
45 tronic receipt in a form prescribed by the commissioner that confirms  
46 such filing and payment. Such party may file a printed copy of such  
47 receipt with the recording officer when offering the associated instru-  
48 ment for recording, in lieu of submitting to the recording officer the  
49 return, report, tax and fee that would otherwise have been required  
50 under this article and subdivisions one-e and three of section three  
51 hundred thirty-three of the real property law. The recording officer  
52 shall retain such receipt for a minimum of three years, unless otherwise  
53 directed by the commissioner, and shall provide a copy thereof to the  
54 commissioner for inspection upon his or her request.

55     (d) Upon recording the instrument to which the consolidated real prop-  
56 erty transfer form pertains, the recording officer shall provide the

1 commissioner with the liber and page thereof at such time and in such  
2 manner as the commissioner shall prescribe.

3 (e) The provisions of this section shall not be applicable within a  
4 city or county that has implemented its own electronic system for the  
5 recording of deeds, the filing of the real estate transfer tax returns  
6 and the real property transfer reports prescribed by the commissioner,  
7 and the payment of the associated taxes and fees, unless such city or  
8 county shall notify the commissioner that such jurisdiction will follow  
9 the system authorized pursuant to this section to be used therein, in  
10 writing.

11 § 9. This act shall take effect immediately.

12 PART V

13 Section 1. This Part enacts into law components of legislation relat-  
14 ing to the administration of the STAR program authorized by section 425  
15 of the real property tax law and subsection (eee) of section 606 of the  
16 tax law. Each component is wholly contained within a Subpart identified  
17 as Subparts A through E. The effective date for each particular  
18 provision contained within such Subpart is set forth in the last section  
19 of such Subpart. Any provision in any section contained within a  
20 Subpart, including the effective date of the Subpart, which makes refer-  
21 ence to a section "of this act", when used in connection with that  
22 particular component, shall be deemed to mean and refer to the corre-  
23 sponding section of the Subpart in which it is found. Section three of  
24 this Part sets forth the general effective date of this Part.

25 SUBPART A

26 Intentionally Omitted

27 SUBPART B

28 Intentionally Omitted

29 SUBPART C

30 Intentionally Omitted

31 SUBPART D

32 Intentionally Omitted

33 SUBPART E

34 Section 1. Paragraph 2 of subdivision w of section 233 of the real  
35 property law is REPEALED.

36 § 2. Paragraph 3 of subdivision w of section 233 of the real property  
37 law, as amended by section 18 of part B of chapter 389 of the laws of  
38 1997, is amended to read as follows:

39 3. A manufactured home park owner or operator providing a reduction in  
40 rent as required by paragraph one [~~or two~~] of this subdivision may  
41 retain, in consideration for record keeping expenses, two percent of the  
42 amount of such reduction.



1 § 3. The opening paragraph of paragraph 3-a of subdivision w of  
 2 section 233 of the real property law, as added by chapter 405 of the  
 3 laws of 2001, is amended to read as follows:

4 Any reduction required to be provided pursuant to paragraph one [~~or~~  
 5 ~~two~~] of this subdivision shall be provided as follows:

6 § 4. Paragraph (1) of subdivision 2 of section 425 of the real proper-  
 7 ty tax law is amended by adding a new subparagraph (iv) to read as  
 8 follows:

9 (iv) Beginning with assessment rolls used to levy school district  
 10 taxes for the two thousand twenty-two--two thousand twenty-three school  
 11 year, no exemption shall be granted pursuant to this section to a mobile  
 12 home that is described in this paragraph. Owners of such property may  
 13 claim the credit authorized by subsection (eee) of section six hundred  
 14 six of the tax law in the manner prescribed therein.

15 § 5. Subparagraph (B) of paragraph 6 of subsection (eee) of section  
 16 606 of the tax law is amended by adding a new clause (iii) to read as  
 17 follows:

18 (iii) Beginning with the two thousand twenty-two taxable year, to  
 19 receive the credit authorized by this subsection, an owner of a mobile  
 20 home described by clause (i) of this subparagraph shall register for  
 21 such credit in the manner prescribed by the commissioner.

22 § 6. This act shall take effect immediately; provided, however, that  
 23 the amendments to subdivision w of section 233 of the real property law  
 24 made by sections one, two and three of this act shall be applicable  
 25 beginning with assessment rolls used to levy school district taxes for  
 26 the 2022--2023 school year.

27 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
 28 sion, section, item, subpart or part of this act shall be adjudged by  
 29 any court of competent jurisdiction to be invalid, such judgment shall  
 30 not affect, impair, or invalidate the remainder thereof, but shall be  
 31 confined in its operation to the clause, sentence, paragraph, subdivi-  
 32 sion, section, item, subpart or part thereof directly involved in the  
 33 controversy in which such judgment shall have been rendered. It is here-  
 34 by declared to be the intent of the legislature that this act would have  
 35 been enacted even if such invalid provisions had not been included here-  
 36 in.

37 § 3. This act shall take effect immediately, provided, however, that  
 38 the applicable effective date of Subpart E of this act shall be as  
 39 specifically set forth in the last section of such Subpart.

40 PART W

41 Section 1. Section 200 of the real property tax law, as amended by  
 42 section 4-a of part W of chapter 56 of the laws of 2010, is amended to  
 43 read as follows:

44 § 200. State board. There is hereby created in the department of taxa-  
 45 tion and finance a separate and independent state board of real property  
 46 tax services, to consist of five members to be appointed by the gover-  
 47 nor, by and with the advice and consent of the senate. Of those five  
 48 members appointed by the governor, one such person shall be an individ-  
 49 ual actively engaged in the commercial production for sale of agricul-  
 50 tural crops, livestock and livestock products of an average gross sales  
 51 value of ten thousand dollars or more. Said individual shall be  
 52 appointed in the first instance to a term of eight years upon expiration  
 53 of an existing term. Said initial term shall commence on the first day  
 54 of January next succeeding the year in which the existing term shall

1 expire. The governor shall designate one of the members as the chairman  
2 of the board, who shall serve as chairman at the pleasure of the gover-  
3 nor. A majority of the duly appointed members shall constitute a quorum  
4 and not less than a majority of such members concurring may transact  
5 any business, perform any duty or exercise any power of the board. The  
6 members of the board shall be appointed for terms of eight years,  
7 commencing on the first day of January next following the year in which  
8 the term of his predecessor expired, except that the terms of the  
9 members first appointed shall expire as follows: one on December thir-  
10 ty-first, nineteen hundred sixty-one, one on December thirty-first,  
11 nineteen hundred sixty-three, one on December thirty-first, nineteen  
12 hundred sixty-five, one on December thirty-first, nineteen hundred  
13 sixty-seven, and one on December thirty-first, nineteen hundred eighty-  
14 two. Vacancies occurring otherwise than by expiration of term shall be  
15 filled for the unexpired term. All members shall receive necessary  
16 expenses incurred in the performance of their duties.

17 § 2. Section 307 of the real property tax law is REPEALED.

18 § 3. Subdivision 4 of section 483 of the real property tax law, as  
19 amended by chapter 72 of the laws of 1979 and as further amended by  
20 subdivision (b) of section 1 of part W of chapter 56 of the laws of  
21 2010, and as renumbered by chapter 797 of the laws of 1992, is amended  
22 to read as follows:

23 4. Such exemption from taxation shall be granted only upon an applica-  
24 tion by the owner of the building or structure on a form prescribed by  
25 the commissioner. The applicant shall furnish such information as [~~such~~  
26 ~~heard~~] the commissioner shall require. Such application shall be filed  
27 with the assessor of the city, town, village or county having the power  
28 to assess property for taxation on or before the appropriate taxable  
29 status date of such city, town, village or county and within one year  
30 from the date of completion of such construction or reconstruction.

31 § 4. Subdivision 3 of section 489-n of the real property tax law, as  
32 added by chapter 86 of the laws of 1963 and as further amended by subdivi-  
33 sion (b) of section 1 of part W of chapter 56 of the laws of 2010, is  
34 amended to read as follows:

35 3. The commissioner shall meet at the time and place specified in such  
36 notice to hear complaints in relation to the tentative determination of  
37 the railroad ceiling. The provisions of section five hundred twelve of  
38 this chapter shall apply so far as may be practicable to a hearing under  
39 this section. Nothing contained in this subdivision shall be construed  
40 to require a hearing to be conducted when no complaints have been filed.

41 § 5. Subdivision 3 of section 489-kk of the real property tax law, as  
42 added by chapter 920 of the laws of 1977 and as further amended by  
43 subdivision (b) of section 1 of part W of chapter 56 of the laws of  
44 2010, is amended to read as follows:

45 3. The commissioner shall meet at the time and place specified in such  
46 notice to hear complaints in relation to the tentative determination of  
47 the railroad ceiling. The provisions of section five hundred twelve of  
48 this chapter shall apply so far as may be practicable to a hearing under  
49 this section. Nothing contained in this subdivision shall be construed  
50 to require a hearing to be conducted when no complaints have been filed.

51 § 6. The real property tax law is amended by adding a new section 497  
52 to read as follows:

53 § 497. Construction of certain local option provisions in exemption  
54 statutes. 1. Population restrictions. When an exemption statute makes  
55 one or more options available to municipal corporations having a popu-  
56 lation within a specified range, and the governing body of a municipal

1 corporation adopts a local law or resolution exercising such an option  
2 while its population is within the specified range, a subsequent change  
3 in the population of the municipal corporation that places it outside  
4 the specified range shall not render such local law or resolution inef-  
5 fective or invalid, nor shall it impair the ability of the governing  
6 body to amend or repeal such local law or resolution to the same extent  
7 as if its population were still within the specified range. Provided,  
8 however, that this subdivision shall not apply to any exemption statute  
9 that expressly provides that a local law or resolution adopted there-  
10 under shall become ineffective or invalid if the population of the  
11 municipal corporation subsequently experiences a change that places it  
12 outside the specified range.

13 2. Filing provisions. When an exemption statute makes one or more  
14 options available to some or all municipal corporations, and further  
15 provides that a municipal corporation adopting a local law or resolution  
16 exercising such an option shall file a copy thereof with one or more  
17 state agencies other than the department of state, but if such statute  
18 does not expressly provide that a local law or resolution exercising  
19 such an option shall not take effect until a copy thereof is filed with  
20 the specified state agency or agencies, then a failure to comply with  
21 such filing provision shall not render such local law or resolution  
22 ineffective or invalid.

23 § 7. Subdivision 3 of section 499-0000 of the real property tax law,  
24 as added by chapter 475 of the laws of 2013, is amended to read as  
25 follows:

26 3. The commissioner or his or her designee shall meet at the time and  
27 place specified in such notice set forth in subdivision one of this  
28 section to hear complaints in relation to the tentative determination of  
29 the assessment ceiling. The provisions of section five hundred twelve of  
30 this chapter shall apply so far as may be practicable to a hearing under  
31 this section. Nothing contained in this subdivision shall be construed  
32 to require a hearing to be conducted when no complaints have been filed.

33 § 8. Section 612 of the real property tax law, as further amended by  
34 subdivision (b) of section 1 of part W of chapter 56 of the laws of  
35 2010, is amended to read as follows:

36 § 612. Hearing of complaints. The commissioner or a duly authorized  
37 representative thereof shall meet at the time and place specified in the  
38 notice required by section six hundred eight of this chapter to hear  
39 complaints in relation to assessments of special franchises. The  
40 provisions of section five hundred twelve of this chapter shall apply so  
41 far as practicable to the hearing of complaints pursuant to this  
42 section. Nothing contained in this section shall be construed to  
43 require a hearing to be conducted when no complaints have been filed.

44 § 9. Section 1208 of the real property tax law, as amended by chapter  
45 385 of the laws of 1990 and as further amended by subdivision (b) of  
46 section 1 of part W of chapter 56 of the laws of 2010, is amended to  
47 read as follows:

48 § 1208. Hearing of complaints. The commissioner or a duly authorized  
49 representative thereof shall meet at the time and place specified in the  
50 notice required by section twelve hundred four of this chapter to hear  
51 complaints in relation to equalization rates, class ratios or class  
52 equalization rates. The provisions of section five hundred twenty-five  
53 of this chapter shall apply so far as practicable to a hearing under  
54 this section. Nothing contained in this section shall be construed to  
55 require a hearing to be conducted when no complaints have been filed.

1 § 10. This act shall take effect immediately; provided, however, that  
2 notwithstanding the provisions of subdivision 2 of section 497 of the  
3 real property tax law as added by section six of this act, the decision  
4 issued by the Appellate Division, Third Department on April 16, 2020, in  
5 the Matter of Laertes Solar, LLC v Assessor of the Town of Harford,  
6 cited as 182 A.D.3d 826, 122 N.Y.S.3d 427, and 2020 NY Slip Op 02302,  
7 motion for leave to appeal dismissed in part and otherwise denied by the  
8 Court of Appeals on November 19, 2020, shall remain binding upon the  
9 parties thereto; and provided further that the amendments made to  
10 section 489-0000 of the real property tax law made by section seven of  
11 this act shall not affect the repeal of such section and shall be deemed  
12 to be repealed therewith.

13

## PART X

14 Section 1. Subdivisions 5, 7 and 9 of section 487 of the real property  
15 tax law, subdivision 5 as amended by chapter 325 of the laws of 2018,  
16 subdivision 7 as amended by chapter 515 and subdivision 9 as added by  
17 chapter 608 of the laws of 2002, and paragraph (a) of subdivision 9 as  
18 amended by chapter 344 of the laws of 2014, are amended to read as  
19 follows:

20 5. The exemption granted pursuant to this section shall only be appli-  
21 cable to (a) solar or wind energy systems or farm waste energy systems  
22 which are (i) existing or constructed prior to July first, nineteen  
23 hundred eighty-eight or (ii) constructed subsequent to January first,  
24 nineteen hundred ninety-one and prior to January first, two thousand  
25 [~~twenty-five~~ thirty], and (b) micro-hydroelectric energy systems, fuel  
26 cell electric generating systems, micro-combined heat and power generat-  
27 ing equipment systems, electric energy storage equipment or electric  
28 energy storage system, or fuel-flexible linear generator electric gener-  
29 ating system which are constructed subsequent to January first, two  
30 thousand eighteen and prior to January first, two thousand [~~twenty-five~~  
31 thirty].

32 7. If the assessor is satisfied that the applicant is entitled to an  
33 exemption pursuant to this section, he or she shall approve the applica-  
34 tion and enter the taxable assessed value of the parcel for which an  
35 exemption has been granted pursuant to this section on the assessment  
36 roll with the taxable property, with the amount of the exemption set  
37 forth in a separate column as computed pursuant to subdivision two of  
38 this section in a separate column. In the event that real property  
39 granted an exemption pursuant to this section ceases to be used primari-  
40 ly for eligible purposes, the exemption granted pursuant to this section  
41 shall cease.

42 9. (a) A county, city, town, village or school district, except a  
43 school district under article fifty-two of the education law, that has  
44 not acted to remove the exemption under this section may require the  
45 owner of a property which includes a solar or wind energy system which  
46 meets the requirements of subdivision four of this section, to enter  
47 into a contract for payments in lieu of taxes. Such contract may require  
48 annual payments in an amount not to exceed the amounts which would  
49 otherwise be payable but for the exemption under this section. If the  
50 owner or developer of such a system provides written notification to a  
51 taxing jurisdiction of its intent to construct such a system, then in  
52 order to require the owner or developer of such system to enter into a  
53 contract for payments in lieu of taxes, such taxing jurisdiction must  
54 notify such owner or developer in writing of its intent to require a

1 contract for payments in lieu of taxes within sixty days of receiving  
2 the written notification. Written notification to a taxing jurisdiction  
3 for this purpose shall include a hard copy letter sent to the highest-  
4 ranking official of the taxing jurisdiction. Such letter shall explicit-  
5 ly reference subdivision nine of section four hundred eighty-seven of  
6 the real property tax law, and clearly state that, unless the taxing  
7 jurisdiction responds within sixty days in writing with its intent to  
8 require a contract for payments in lieu of taxes, such project shall not  
9 be obligated to make such payments.

10 (b) Notwithstanding paragraph (a) of this subdivision, should a taxing  
11 jurisdiction adopt a law or resolution at any time within or prior to  
12 the sixty day window, indicating the taxing jurisdiction's ongoing  
13 intent to require a contract for payments in lieu of taxes for such  
14 systems, such law or resolution shall be considered notification to  
15 owners or developers and no further action is required on the part of  
16 the taxing jurisdiction, provided that such law or resolution remains in  
17 effect through the end of the sixty day notification period.

18 [~~The~~] (c) Any payment in lieu of a tax agreement shall not operate for  
19 a period of more than fifteen years, commencing in each instance from  
20 the date on which the benefits of such exemption first become available  
21 and effective.

22 § 2. Subdivision 1 of section 575-a of the real property tax law, as  
23 added by section 1 of subpart F of part J of chapter 59 of the laws of  
24 2019, is amended to read as follows:

25 1. Every corporation, company, association, joint stock association,  
26 partnership and person, their lessees, trustees or receivers appointed  
27 by any court whatsoever, owning, operating or managing any electric  
28 generating facility in the state shall annually file with the commis-  
29 sioner, by April thirtieth, a report showing the inventory, revenue, and  
30 expenses associated therewith for the most recent fiscal year, and, in  
31 the case of solar and wind energy systems, such other information as the  
32 commissioner may reasonably require for the development and maintenance  
33 of an appraisal model and discount rate as required pursuant to section  
34 575-b of this chapter. Such report shall be in the form and manner  
35 prescribed by the commissioner.

36 § 3. The real property tax law is amended by adding a new section  
37 575-b to read as follows:

38 § 575-b. Solar or wind energy systems. 1. The assessed value for solar  
39 or wind energy systems, as defined in section four hundred eighty-seven  
40 of this chapter, shall be determined by a discounted cash flow approach  
41 that includes:

42 (a) An appraisal model identified and published by the New York state  
43 department of taxation and finance, in consultation with the New York  
44 state energy research and development authority, within one hundred  
45 eighty days of the effective date of this section, and periodically  
46 thereafter as appropriate; and

47 (b) A solar or wind energy system discount rate published annually by  
48 the New York state department of taxation and finance.

49 2. The reports required by section five hundred seventy-five-a of this  
50 title shall be designed to elicit such information as the commissioner  
51 may reasonably require for the development and maintenance of an  
52 appraisal model and discount rate.

53 3. The provisions of this section shall only apply to solar or wind  
54 energy systems with a nameplate capacity equal to or greater than one  
55 megawatt.

1 § 4. The third undesignated paragraph of section 852 of the general  
2 municipal law, as amended by chapter 630 of the laws of 1977, is amended  
3 to read as follows:

4 It is hereby further declared to be the policy of this state to  
5 protect and promote the health of the inhabitants of this state and to  
6 increase trade through promoting the development of facilities to  
7 provide recreation for the citizens of the state and to attract tourists  
8 from other states and to promote the development of renewable energy  
9 projects to support the state's renewable energy goals as may be estab-  
10 lished or amended from time to time.

11 § 5. Subdivision 4 of section 854 of the general municipal law, as  
12 amended by section 6 of part J of chapter 59 of the laws of 2013, is  
13 amended and a new subdivision 21 is added to read as follows:

14 (4) "Project" - shall mean any land, any building or other improve-  
15 ment, and all real and personal properties located within the state of  
16 New York and within or outside or partially within and partially outside  
17 the municipality for whose benefit the agency was created, including,  
18 but not limited to, machinery, equipment and other facilities deemed  
19 necessary or desirable in connection therewith, or incidental thereto,  
20 whether or not now in existence or under construction, which shall be  
21 suitable for manufacturing, warehousing, research, commercial, renewable  
22 energy or industrial purposes or other economically sound purposes iden-  
23 tified and called for to implement a state designated urban cultural  
24 park management plan as provided in title G of the parks, recreation and  
25 historic preservation law and which may include or mean an industrial  
26 pollution control facility, a recreation facility, educational or  
27 cultural facility, a horse racing facility, a railroad facility, a  
28 renewable energy project or an automobile racing facility, provided,  
29 however, no agency shall use its funds or provide financial assistance  
30 in respect of any project wholly or partially outside the municipality  
31 for whose benefit the agency was created without the prior consent ther-  
32 eto by the governing body or bodies of all the other municipalities in  
33 which a part or parts of the project is, or is to be, located, and such  
34 portion of the project located outside such municipality for whose bene-  
35 fit the agency was created shall be contiguous with the portion of the  
36 project inside such municipality.

37 (21) "Renewable energy project" shall mean any project and associated  
38 real property on which the project is situated, that utilizes any system  
39 or equipment as set forth in section four hundred eighty-seven of the  
40 real property tax law or as defined pursuant to paragraph b of subdivi-  
41 sion one of section sixty-six-p of the public service law as added by  
42 chapter one hundred six of the laws of two thousand nineteen.

43 § 6. The opening paragraph of section 858 of the general municipal  
44 law, as amended by chapter 478 of the laws of 2011, is amended to read  
45 as follows:

46 The purposes of the agency shall be to promote, develop, encourage and  
47 assist in the acquiring, constructing, reconstructing, improving, main-  
48 taining, equipping and furnishing industrial, manufacturing, warehous-  
49 ing, commercial, research, renewable energy and recreation facilities  
50 including industrial pollution control facilities, educational or  
51 cultural facilities, railroad facilities, horse racing facilities, auto-  
52 mobile racing facilities, renewable energy projects and continuing care  
53 retirement communities, provided, however, that, of agencies governed by  
54 this article, only agencies created for the benefit of a county and the  
55 agency created for the benefit of the city of New York shall be author-  
56 ized to provide financial assistance in any respect to a continuing care

1 retirement community, and thereby advance the job opportunities, health,  
 2 general prosperity and economic welfare of the people of the state of  
 3 New York and to improve their recreation opportunities, prosperity and  
 4 standard of living; and to carry out the aforesaid purposes, each agency  
 5 shall have the following powers:

6 § 7. Paragraph (b) of subdivision 5 of section 859-a of the general  
 7 municipal law, as added by chapter 563 of the laws of 2015, is amended  
 8 to read as follows:

9 (b) a written cost-benefit analysis by the agency that identifies the  
 10 extent to which a project will create or retain permanent, private  
 11 sector jobs; the estimated value of any tax exemptions to be provided;  
 12 the amount of private sector investment generated or likely to be gener-  
 13 ated by the proposed project; the contribution of the project to the  
 14 state's renewable energy goals and emission reduction targets as set  
 15 forth in the state energy plan adopted pursuant to section 6-104 of the  
 16 energy law; the likelihood of accomplishing the proposed project in a  
 17 timely fashion; and the extent to which the proposed project will  
 18 provide additional sources of revenue for municipalities and school  
 19 districts; and any other public benefits that might occur as a result of  
 20 the project;

21 § 8. This act shall take effect immediately.

22

#### PART Y

23 Section 1. Section 1367 of the racing, pari-mutuel wagering and breed-  
 24 ing law, as added by chapter 174 of the laws of 2013, paragraphs (b) and  
 25 (d) of subdivision 3 as amended by section 1 of part X of chapter 59 of  
 26 the laws of 2020, is amended to read as follows:

27 § 1367. Sports wagering. 1. As used in this section:

28 (a) "Affiliate" means any off-track betting corporation, franchised  
 29 corporation, or race track licensed pursuant to this chapter, an opera-  
 30 tor of video lottery gaming at Aqueduct licensed pursuant to section  
 31 sixteen hundred seventeen-a of the tax law, which has an affiliate  
 32 agreement with a casino pursuant to section thirteen hundred sixty-sev-  
 33 en-a of this title. Any professional sports stadium or arena may serve  
 34 as an affiliate;

35 (b) "Agent" means an entity that is party to a contract with a casino  
 36 authorized to operate a sports pool and is approved by the commission to  
 37 operate a sports pool on behalf of such casino;

38 (c) "Authorized sports bettor" means an individual who is physically  
 39 present in this state when placing a sports wager, who is not a prohib-  
 40 ited sports bettor, that participates in sports wagering offered by a  
 41 casino. All sports wagers placed in accordance with this section are  
 42 considered placed or otherwise made when received by the operator at the  
 43 licensed gaming facility, regardless of the authorized sports bettor's  
 44 physical location at the time the sports wager is initiated. The inter-  
 45 mediate routing of electronic data in connection with mobile sports  
 46 wagering shall not determine the location or locations in which a wager  
 47 is initiated, received or otherwise made;

48 (d) "Brand" means the name and logo on the interface of a mobile  
 49 application or internet website accessed via a mobile device or computer  
 50 which authorized sports bettors use to access a sports betting platform;

51 (e) "Casino" means a licensed gaming facility at which gambling is  
 52 conducted pursuant to the provisions of this article;

53 [~~(b)~~] (f) "Commission" means the commission established pursuant to  
 54 section one hundred two of this chapter;

1 ~~(e)~~ (g) "Collegiate sport or athletic event" means a sport or  
2 athletic event offered or sponsored by or played in connection with a  
3 public or private institution that offers educational services beyond  
4 the secondary level;

5 ~~(d)~~ (h) "Covered persons" includes: athletes; players; umpires;  
6 referees; officials; personnel associated with players, clubs, teams,  
7 leagues, and athletic associations; medical professionals, including  
8 athletic trainers who provide services to athletes and players; and the  
9 family members and associates of these persons where required to serve  
10 the purposes of this title;

11 (i) "Exchange wagering" means a form of wagering in which an author-  
12 ized sports bettor, on the one hand, and one or more authorized sports  
13 bettors, a casino or an agent or an operator, on the other hand place  
14 identically opposing sports wagers on an exchange operated by a casino  
15 or an agent or an operator;

16 (j) "Global risk management" means the direction, management, consul-  
17 tation and/or instruction for purposes of managing risks associated with  
18 sports wagering conducted pursuant to this section and includes the  
19 setting and adjustment of betting lines, point spreads, or odds and  
20 whether to place layoff bets as permitted by this section;

21 (k) "High school sport or athletic event" means a sport or athletic  
22 event offered or sponsored by or played in connection with a public or  
23 private institution that offers education services at the secondary  
24 level;

25 (l) "Horse racing event" means any sport or athletic event conducted  
26 in New York state subject to the provisions of articles two, three,  
27 four, five, six, nine, ten and eleven of this chapter, or any sport or  
28 athletic event conducted outside of New York state, which if conducted  
29 in New York state would be subject to the provisions of this chapter;

30 (m) "In-play sports wager" means a sports wager placed on a sports  
31 event after the sports event has begun and before it ends;

32 (n) "Layoff bet" means a sports wager placed by a casino sports pool  
33 with another casino sports pool;

34 (o) "Minor" means any person under the age of twenty-one years;

35 (p) "Mobile sports wagering platform" or "platform" means the combina-  
36 tion of hardware, software, and data networks used to manage, adminis-  
37 ter, or control sports wagering and any associated wagers accessible by  
38 any electronic means including mobile applications and internet websites  
39 accessed via a mobile device or computer;

40 (q) "Official league data" means statistics, results, outcomes, and  
41 other data relating to a sporting event that have been obtained from the  
42 relevant sports governing body that is headquartered in the United  
43 States or an entity expressly authorized by the sports governing body to  
44 provide such information to casinos;

45 (r) "Operator" means a casino which has elected to operate a sports  
46 pool (or agent of such casino) or an Indian Tribe (or an agent of such  
47 Indian Tribe) that has entered into a tribal-state gaming compact in  
48 accordance with the Indian Gaming Regulatory Act 25 U.S.C. 2710, that is  
49 in effect and has been ratified by the state and has entered into a  
50 sports wagering agreement pursuant to section thirteen hundred sixty-  
51 seven-a of this title;

52 (s) "Persons who present sporting contests" includes sports governing  
53 bodies and associations, their members and affiliates, and other persons  
54 who present sporting contests to the public;

55 ~~(e)~~ (t) "Professional sport or athletic event" means an event at  
56 which two or more persons participate in sports or athletic events and



1 receive compensation in excess of actual expenses for their partic-  
2 ipation in such event;

3 (u) "Prohibited conduct" means any statement, action, and other commu-  
4 nication intended to influence, manipulate, or control a betting outcome  
5 of a sporting contest or of any individual occurrence or performance in  
6 a sporting contest in exchange for financial gain or to avoid financial  
7 or physical harm. "Prohibited conduct" includes statements, actions, and  
8 communications made to a covered person by a third party, such as a  
9 family member or through social media;

10 (v) "Professional sports stadium or arena" means a stadium, ballpark,  
11 or arena that is the permanent home of a professional sports team play-  
12 ing at the highest professional level in its sport and has a seating  
13 capacity for such contests exceeding fifteen thousand seats;

14 (w) "Prohibited sports bettor" means:

15 (i) any officer or employee of the commission;

16 (ii) any principal or key employee of a casino or operator, except as  
17 may be permitted by the commission for good cause shown;

18 (iii) any casino gaming or non-gaming employee at the casino that  
19 employs such person and at any operator that has an agreement with that  
20 casino;

21 (iv) any contractor, subcontractor, or consultant, or officer or  
22 employee of a contractor, subcontractor, or consultant, of a casino if  
23 such person is directly involved in the operation or observation of  
24 sports wagering, or the processing of sports wagering claims or  
25 payments;

26 (v) Any person subject to a contract with the commission if such  
27 contract contains a provision prohibiting such person from participating  
28 in sports wagering;

29 (vi) Any spouse, child, brother, sister or parent residing as a member  
30 of the same household in the principal place of abode of any of the  
31 foregoing persons at the same casino where the foregoing person is  
32 prohibited from participating in sports wagering;

33 (vii) any individual with access to non-public confidential informa-  
34 tion about sports wagering;

35 (viii) any amateur or professional athlete if the sports wager is  
36 based on any sport or athletic event overseen by the athlete's sports  
37 governing body;

38 (ix) any sports agent, owner or employee of a team, player and umpire  
39 union personnel, and employee referee, coach or official of a sports  
40 governing body, if the sports wager is based on any sport or athletic  
41 event overseen by the individual's sports governing body;

42 (x) any individual placing a wager as an agent or proxy for an other-  
43 wise prohibited sports bettor; or

44 (xi) any minor;

45 [~~f~~] (x) "Prohibited sports event" means any collegiate sport or  
46 athletic event that takes place in New York or a sport or athletic event  
47 in which any New York college team participates regardless of where the  
48 event takes place, or high school sport or athletic event;

49 [~~g~~] (y) "Registered sports governing body" means a sports governing  
50 body that is headquartered in the United States and who has registered  
51 with the commission to receive royalty fee revenue in such form as the  
52 commission may require;

53 (z) "Sports event" means any professional sport or athletic event and  
54 any collegiate sport or athletic event, except a prohibited sports event  
55 or a horse racing event;

1 ~~(h)~~ (aa) "Sports governing body" means the organization that  
2 prescribes final rules and enforces codes of conduct with respect to a  
3 sporting event and participants therein;

4 (bb) "Sports pool" means the business of accepting wagers on any  
5 sports event by any system or method of wagering; ~~and~~

6 ~~(i)~~ (cc) "Sports wager" means cash or cash equivalent that is paid by  
7 an authorized sports bettor to a casino to participate in sports wager-  
8 ing offered by such casino;

9 (dd) "Sports wagering" means wagering on sporting events or any  
10 portion thereof, or on the individual performance statistics of athletes  
11 participating in a sporting event, or combination of sporting events, by  
12 any system or method of wagering, including, but not limited to, in-per-  
13 son communication and electronic communication through internet websites  
14 accessed via a mobile device or computer and mobile device applications.  
15 Any wager through electronic communication shall be deemed to take place  
16 at the physical location of the server or other equipment used by an  
17 operator to accept mobile sports wagering, regardless of the authorized  
18 sports bettor's physical location within the state at the time the wager  
19 is initiated. The term "sports wagering" shall include, but is not  
20 limited to, single-game bets, teaser bets, parlays, over-under bets,  
21 money line, pools, exchange wagering, in-game wagering, in-play bets,  
22 proposition bets and straight bets;

23 (ee) "Sports wagering gross revenue" means: (i) the amount equal to  
24 the total of all sports wagers not attributable to prohibited sports  
25 events that an operator collects from all players, less the total of all  
26 sums not attributable to prohibited sports events paid out as winnings  
27 to all sports bettors, however, that the total of all sums paid out as  
28 winnings to sports bettors shall not include the cash equivalent value  
29 of any merchandise or thing of value awarded as a prize, or (ii) in the  
30 case of exchange wagering pursuant to this section, the commission on  
31 winning sports wagers by authorized sports bettors retained by the oper-  
32 ator. The issuance to or wagering by authorized sports bettors at a  
33 casino of any promotional gaming credit shall not be taxable for the  
34 purposes of determining sports wagering gross revenue;

35 (ff) "Sports wagering lounge" means an area wherein a sports pool is  
36 operated;

37 (gg) "Tier one sports wager" means a sports wager that is determined  
38 solely by the final score or final outcome of the sports event;

39 (hh) "Tier two sports wager" means an in-play sports wager that is not  
40 a tier one sports wager;

41 (ii) "Tier three sports wager" means a sports wager that is neither a  
42 tier one nor a tier two sports wager; and

43 (jj) "Indian Tribe" means an Indian Tribe (or an agent of such tribe)  
44 that has entered into a tribal-state gaming compact in accordance with  
45 the Indian Gaming Regulatory Act of 1988 (18 U.S.C. Sec. 1166 to 1168,  
46 inclusive, and 25 U.S.C. Sec. 2701 et seq.) which has been ratified by  
47 the state;

48 (kk) "Unusual betting activity" means abnormal betting activity exhib-  
49 ited by patrons and deemed by the casino or operation, pursuant to rules  
50 and regulations promulgated by the commission, as a potential indicator  
51 of suspicious activity. Abnormal betting activity may include, but is  
52 not limited to, the size of a patron's wager or increased betting volume  
53 on a particular event or wager type;

54 (ll) "Suspicious betting activity" means unusual betting activity that  
55 cannot be explained and is indicative of match fixing, the manipulation

1 of an event, misuse of inside information, or other prohibited activity;  
2 and

3 (mm) "Independent integrity monitor" means an independent individual  
4 or entity approved by the commission to receive reports of unusual  
5 betting activity from a casino or operator for the purpose of assisting  
6 in identifying suspicious betting activity.

7 ~~2. [No gaming facility may conduct sports wagering until such time as~~  
8 ~~there has been a change in federal law authorizing such or upon a ruling~~  
9 ~~of a court of competent jurisdiction that such activity is lawful,~~

10 ~~3.]~~ (a) In addition to authorized gaming activities, a [~~licensed~~  
11 ~~gaming facility~~] casino may [~~when authorized by subdivision two of this~~  
12 ~~section~~] operate a sports pool upon the approval of the commission and  
13 in accordance with the provisions of this section and applicable regu-  
14 lations promulgated pursuant to this article. The commission shall hear  
15 and decide promptly and in reasonable order all applications for a  
16 license to operate a sports pool, shall have the general responsibility  
17 for the implementation of this section and shall have all other duties  
18 specified in this section with regard to the operation of a sports pool.  
19 The license to operate a sports pool shall be in addition to any other  
20 license required to be issued to operate a [~~gaming facility~~] casino. No  
21 license to operate a sports pool shall be issued by the commission to  
22 any entity unless it has established its financial stability, integrity  
23 and responsibility and its good character, honesty and integrity.

24 No later than five years after the date of the issuance of a license  
25 and every five years thereafter or within such lesser periods as the  
26 commission may direct, a licensee shall submit to the commission such  
27 documentation or information as the commission may by regulation  
28 require, to demonstrate to the satisfaction of the executive director of  
29 the commission that the licensee continues to meet the requirements of  
30 the law and regulations.

31 (b) As a condition of licensure the commission shall require that each  
32 agent authorized to conduct sports wagering pay a one-time fee of twelve  
33 million dollars. Such fee shall be paid within thirty days of gaming  
34 commission approval prior to license issuance and deposited into the  
35 commercial gaming revenue fund established pursuant to section thirteen  
36 hundred fifty-two of this article.

37 (c) A sports pool shall be operated in a sports wagering lounge  
38 located at a casino. The lounge shall conform to all requirements  
39 concerning square footage, design, equipment, security measures and  
40 related matters which the commission shall by regulation prescribe.  
41 Provided, however, the commission may also approve additional locations  
42 for a sports pool within the casino, in areas that have been approved by  
43 the commission for the conduct of other gaming, to be operated in a  
44 manner and methodology as regulation shall prescribe.

45 [~~(e)~~] (d) The operator of a sports pool shall establish or display the  
46 odds at which wagers may be placed on sports events.

47 [~~(d)~~] (e) An operator shall accept wagers on sports events only from  
48 persons physically present in the sports wagering lounge, through mobile  
49 sports wagering offered pursuant to section thirteen hundred sixty-sev-  
50 en-a of this title, or any additional locations for a sports pool within  
51 the casino, approved by the gaming commission. A person placing a wager  
52 shall be at least twenty-one years of age.

53 [~~(e)~~] (f) An operator may also accept layoff bets as long as the  
54 authorized sports pool places such wagers with another authorized sports  
55 pool or pools in accordance with regulations of the commission. A sports  
56 pool that places a layoff bet shall inform the sports pool accepting the

1 wager that the wager is being placed by a sports pool and shall disclose  
2 its identity.

3 (g) An operator may utilize global risk management pursuant to the  
4 approval of the commission.

5 (h) An operator shall not admit into the sports wagering lounge, or  
6 accept wagers from, any person whose name appears on the exclusion list.

7 [~~(f)~~] (i) The holder of a license to operate a sports pool may  
8 contract with an [~~entity~~] agent to conduct any or all aspects of that  
9 operation, or the operation of mobile sports wagering offered pursuant  
10 to section thirteen hundred sixty-seven-a of this title, including but  
11 not limited to brand, marketing and customer service, in accordance with  
12 the regulations of the commission. [~~That entity~~] Each agent shall obtain  
13 a license as a casino vendor enterprise prior to the execution of any  
14 such contract, and such license shall be issued pursuant to the  
15 provisions of section one thousand three hundred twenty-seven of this  
16 article and in accordance with the regulations promulgated by the  
17 commission.

18 [~~(g)~~] (j) If any provision of this article or its application to any  
19 person or circumstance is held invalid, the invalidity shall not affect  
20 other provisions or applications of this article which can be given  
21 effect without the invalid provision or application, and to this end the  
22 provisions of this article are severable.

23 [~~4-~~] 3. (a) All persons employed directly in wagering-related activ-  
24 ities conducted within a sports wagering lounge shall be licensed as a  
25 casino key employee or registered as a gaming employee, as determined by  
26 the commission. All other employees who are working in the sports wager-  
27 ing lounge may be required to be registered, if appropriate, in accord-  
28 ance with regulations of the commission.

29 (b) Each operator of a sports pool shall designate one or more casino  
30 key employees who shall be responsible for the operation of the sports  
31 pool. At least one such casino key employee shall be on the premises  
32 whenever sports wagering is conducted.

33 [~~5-~~] 4. Except as otherwise provided by this article, the commission  
34 shall have the authority to regulate sports pools and the conduct of  
35 sports wagering under this article to the same extent that the commis-  
36 sion regulates other gaming. No casino shall be authorized to operate a  
37 sports pool unless it has produced information, documentation, and  
38 assurances concerning its financial background and resources, including  
39 cash reserves, that are sufficient to demonstrate that it has the finan-  
40 cial stability, integrity, and responsibility to operate a sports pool.  
41 In developing rules and regulations applicable to sports wagering, the  
42 commission shall examine the regulations implemented in other states  
43 where sports wagering is conducted and shall, as far as practicable,  
44 adopt a similar regulatory framework. The commission shall promulgate  
45 regulations necessary to carry out the provisions of this section,  
46 including, but not limited to, regulations governing the:

47 (a) amount of cash reserves to be maintained by operators to cover  
48 winning wagers;

49 (b) acceptance of wagers on a series of sports events;

50 (c) maximum wagers which may be accepted by an operator from any one  
51 patron on any one sports event;

52 (d) type of wagering tickets which may be used;

53 (e) method of issuing tickets;

54 (f) method of accounting to be used by operators;

55 (g) types of records which shall be kept;

56 (h) use of credit and checks by [~~patrons~~] authorized sports bettors;

- 1 (i) the process by which a casino may place a layoff bet;  
2 (j) the use of global risk management;  
3 (k) type of system for wagering; and

4 [~~(j)~~] (1) protections for a person placing a wager.

5 [~~6-~~] 5. Each operator shall adopt comprehensive house rules governing  
6 sports wagering transactions with its [~~patrons~~] authorized sports  
7 bettors. The rules shall specify the amounts to be paid on winning  
8 wagers and the effect of schedule changes. The house rules, together  
9 with any other information the commission deems appropriate, shall be  
10 conspicuously displayed in the sports wagering lounge and included in  
11 the terms and conditions of the account wagering system, and copies  
12 shall be made readily available to [~~patrons~~] authorized sports bettors.

13 6. (a) Each casino that offers sports wagering shall annually submit a  
14 report to the commission no later than the twenty-eighth of February of  
15 each year, which shall include the following information:

16 (i) the total amount of sports wagers received from authorized sports  
17 bettors;

18 (ii) the total amount of prizes awarded to authorized sports bettors;

19 (iii) the total amount of sports wagering gross revenue received by  
20 the casino;

21 (iv) the total amount contributed in sports betting royalty revenue  
22 pursuant to subdivision eight of this section;

23 (v) the total amount of wagers received on each sports governing  
24 body's sporting events;

25 (vi) the number of accounts held by authorized sports bettors;

26 (vii) the total number of new accounts established in the preceding  
27 year, as well as the total number of accounts permanently closed in the  
28 preceding year;

29 (viii) the total number of authorized sports bettors that requested to  
30 exclude themselves from sports wagering; and

31 (ix) any additional information that the commission deems necessary to  
32 carry out the provisions of this article.

33 (b) Upon the submission of such annual report, to such extent that the  
34 commission deems it to be in the public interest, the commission shall  
35 be authorized to conduct a financial audit of any casino, at any time,  
36 to ensure compliance with this article.

37 (c) The commission shall annually publish a report based on the aggre-  
38 gate information provided by all casinos pursuant to paragraph (a) of  
39 this subdivision, which shall be published on the commission's website  
40 no later than one hundred eighty days after the deadline for the  
41 submission of individual reports as specified in such paragraph (a).

42 7. (a) Within thirty days of the end of each calendar quarter, a casi-  
43 no offering sports wagering shall remit to the commission a sports  
44 wagering royalty fee of one-fifth (.20) of one percent of the amount  
45 wagered on sports events conducted by registered sports governing  
46 bodies. The fee shall be remitted on a form as the commission may  
47 require, on which the casino shall identify the percentage of wagering  
48 during the reporting period attributable to each registered sport  
49 governing body's sports events.

50 (b) No later than the thirtieth of April of each year, a registered  
51 sports governing body may submit a claim for disbursement of the royalty  
52 fee funds remitted by casinos in the previous calendar year on their  
53 respective sports events. Within thirty days of submitting its claim for  
54 disbursement, the registered sports governing body shall meet with the  
55 commission to provide the commission with evidence of policies, proce-

1 dures and training programs it has implemented to protect the integrity  
2 of its sports events.

3 (c) Within thirty days of its meeting with the registered sports  
4 governing body, the commission shall approve a timely claim for  
5 disbursement.

6 (d) (i) Persons who present sporting contests shall have authority to  
7 remove spectators and others from any facility for violation any appli-  
8 cable codes of conduct, and to deny persons access to all facilities  
9 they control, to revoke season tickets or comparable licenses, and to  
10 share information about such persons with others who present sporting  
11 contests and with the appropriate jurisdictions' law enforcement author-  
12 ities.

13 (ii) Persons who present sporting contests shall provide notice to the  
14 general public and those who attend sporting contests or visit their  
15 facilities of any applicable codes of conduct and the potential penal-  
16 ties for violating such codes.

17 8. For the privilege of conducting sports wagering in the state, casi-  
18 nos shall pay a tax equivalent to eight and one-half percent of their  
19 sports wagering gross revenue, excluding sports wagering gross revenue  
20 attributed to mobile sports wagering offered pursuant to section thir-  
21 teen hundred sixty-seven-a of this title. Casinos shall pay a tax equiv-  
22 alent of twelve percent of their sports wagering gross revenue attri-  
23 buted to mobile sports wagering offered pursuant to section thirteen  
24 hundred sixty-seven-a of this title.

25 9. The commission shall pay into the commercial gaming revenue fund  
26 established pursuant to section ninety-seven-nnnn of the state finance  
27 law eighty-five percent of the state tax imposed by this section; any  
28 interest and penalties imposed by the commission relating to those  
29 taxes; all penalties levied and collected by the commission; and the  
30 appropriate funds, cash or prizes forfeited from sports wagering. The  
31 commission shall pay into the commercial gaming fund five percent of the  
32 state tax imposed by this section to be distributed for problem gambling  
33 education and treatment purposes pursuant to paragraph a of subdivision  
34 four of section ninety-seven-nnnn of the state finance law. The commis-  
35 sion shall pay into the commercial gaming fund five percent of the state  
36 tax imposed by this section to be distributed for the cost of regulation  
37 pursuant to paragraph c of subdivision four of section ninety-seven-nnnn  
38 of the state finance law. The commission shall pay into the commercial  
39 gaming fund five percent of the state tax imposed by this section to be  
40 distributed in the same formula as market origin credits pursuant to  
41 section one hundred fifteen-b of this chapter. The commission shall  
42 require at least monthly deposits by the casino of any payments pursuant  
43 to subdivision eight of this section, at such times, under such condi-  
44 tions, and in such depositories as shall be prescribed by the state  
45 comptroller. The deposits shall be deposited to the credit of the state  
46 commercial gaming revenue fund. The commission shall require a monthly  
47 report and reconciliation statement to be filed with it on or before the  
48 tenth day of each month, with respect to gross revenues and deposits  
49 received and made, respectively, during the preceding month.

50 10. The commission may perform audits of the books and records of a  
51 casino, at such times and intervals as it deems appropriate, for the  
52 purpose of determining the sufficiency of tax payments. If a return  
53 required with regard to obligations imposed is not filed, or if a return  
54 when filed or is determined by the commission to be incorrect or insuf-  
55 ficient with or without an audit, the amount of tax due shall be deter-  
56 mined by the commission. Notice of such determination shall be given to

1 the casino liable for the payment of the tax. Such determination shall  
2 finally and irrevocably fix the tax unless the casino against whom it is  
3 assessed, within thirty days after receiving notice of such determi-  
4 nation, shall apply to the commission for a hearing in accordance with  
5 the regulations of the commission.

6 11. Nothing in this section shall apply to interactive fantasy sports  
7 offered pursuant to article fourteen of this chapter. Nothing in this  
8 section authorizes any entity that conducts interactive fantasy sports  
9 offered pursuant to article fourteen of this chapter to conduct sports  
10 wagering unless it separately qualifies for, and obtains, authorization  
11 pursuant to this section.

12 12. A casino that is also licensed under article three of this chap-  
13 ter, and must maintain racing pursuant to paragraph (b) of subdivision  
14 one of section thirteen hundred fifty-five of this article, shall be  
15 allowed to offer pari-mutuel wagering on horse racing events in accord-  
16 ance with their license under article three of this chapter. Notwith-  
17 standing subparagraph (ii) of paragraph c of subdivision two of section  
18 one thousand eight of this chapter, a casino located in the city of  
19 Schenectady shall be allowed to offer pari-mutuel wagering on horse  
20 racing events, provided such wagering is conducted by the regional off-  
21 track betting corporation in such region as the casino is located. Any  
22 other casino shall be allowed to offer pari-mutuel wagering on horse  
23 racing events, provided such wagering is conducted by the regional off-  
24 track betting corporation in such region as the casino is located. Any  
25 physical location where pari-mutuel wagering on horse racing events is  
26 offered by a casino and conducted by a regional off-track betting corpo-  
27 ration in accordance with this subdivision shall be deemed to be a  
28 branch location of the regional off-track betting corporation in accord-  
29 ance with section one thousand eight of this chapter. Mobile sports  
30 betting kiosks located on the premises of affiliates in accordance with  
31 paragraph (d) of subdivision five of section thirteen hundred sixty-sev-  
32 en-a of this title shall not be allowed to offer pari-mutuel wagering on  
33 horse racing events.

34 13. A sports governing body may notify the commission that it desires  
35 to restrict, limit, or exclude wagering on its sporting events by  
36 providing notice in the form and manner as the commission may require.  
37 Upon receiving such notice, the commission shall review the request in  
38 good faith, seek input from the casinos on such a request, and if the  
39 commission deems it appropriate, promulgate regulations to restrict such  
40 sports wagering. If the commission denies a request, the sports govern-  
41 ing body shall be afforded notice and the right to be heard and offer  
42 proof in opposition to such determination in accordance with the regu-  
43 lations of the commission. Offering or taking wagers contrary to  
44 restrictions promulgated by the commission is a violation of this  
45 section. In the event that the request is in relation to an emergency  
46 situation, the executive director of the commission may temporarily  
47 prohibit the specific wager in question until the commission has the  
48 opportunity to issue temporary regulations addressing the issue.

49 14. (a) The commission shall designate the division of the state  
50 police to have primary responsibility for conducting, or assisting the  
51 commission in conducting, investigations into abnormal betting activity,  
52 match fixing, and other conduct that corrupts a betting outcome of a  
53 sporting event or events for purposes of financial gain.

54 (b) Casinos shall maintain records of sports wagering operations in  
55 accordance with regulations promulgated by the commission. These regu-  
56 lations shall, at a minimum, require a casino to adopt procedures to

1 obtain personally identifiable information from any individual who plac-  
2 es any single wager in an amount of ten thousand dollars or greater.

3 (c) The commission shall cooperate with a sports governing body and  
4 casinos to ensure the timely, efficient, and accurate sharing of infor-  
5 mation.

6 (d) The commission and casinos shall cooperate with investigations  
7 conducted by sports governing bodies or law enforcement agencies,  
8 including but not limited to providing or facilitating the provision of  
9 account-level betting information and audio or video files relating to  
10 persons placing wagers; provided, however, that the casino be required  
11 to share any personally identifiable information of an authorized sports  
12 bettor with a sports governing body only pursuant to an order to do so  
13 by the commission or a law enforcement agency or court of competent  
14 jurisdiction.

15 (e) Casinos and operators shall promptly report to the commission or  
16 third party integrity monitoring provider approved by the commission, as  
17 applicable and in accordance with rules and regulations established by  
18 the commission, any information relating to:

19 (i) criminal or disciplinary proceedings commenced against the casino  
20 in connection with its operations;

21 (ii) abnormal betting activity or patterns that may indicate a concern  
22 with the integrity of a sporting event or events;

23 (iii) any potential breach of the relevant sports governing body's  
24 internal rules and codes of conduct pertaining to sports wagering, as  
25 they have been provided by the sports governing body to the casino or  
26 the operator;

27 (iv) any other conduct that corrupts a betting outcome of a sporting  
28 event or events for purposes of financial gain, including match fixing;  
29 and

30 (v) suspicious or illegal wagering activities, including use of funds  
31 derived from illegal activity, wagers to conceal or launder funds  
32 derived from illegal activity, using agents to place wagers, using  
33 confidential non-public information, and using false identification.

34 The commission shall also promptly report information relating to  
35 conduct described in subparagraphs (ii), (iii) and (iv) of this para-  
36 graph to the relevant sports governing body.

37 (vi) The commission shall be authorized to share any information under  
38 this section with any law enforcement entity, team, sports governing  
39 body, or regulatory agency the division deems appropriate. Such sharing  
40 of information may include, but is not limited to, account level betting  
41 information and any audio or video files related to the investigation.  
42 Provided, however, the casino or operators may only be required to share  
43 any personally identifiable information of an authorized sports bettor  
44 with a sports governing body only pursuant to an order to do so by the  
45 commission, a law enforcement agency or a court of competent jurisdic-  
46 tion.

47 (f) The confidentiality of information shared between a sports govern-  
48 ing body and a casino or operator shall be maintained pursuant to all  
49 applicable data privacy laws, unless disclosure is required by this  
50 section, the commission, other law, or court order. Furthermore, the  
51 information shared between a sports governing body, a casino, an opera-  
52 tor or any other party pursuant to this act may not be used for business  
53 or marketing purposes by the recipient without the express written  
54 approval of the party that provides such information.

55 (g) The commission, by regulation, may authorize and promulgate any  
56 rules necessary to implement agreements with other states, or authorized



1 agencies thereof to enable the sharing of information to facilitate  
2 integrity monitoring and the conduct of investigations into abnormal  
3 betting activity, match fixing, and other conduct that corrupts a  
4 betting outcome of a sporting event or events for purposes of financial  
5 gain.

6 (h) The commission shall study the potential for the creation of an  
7 interstate database of all sports wagering information for the purpose  
8 of integrity monitoring, and shall create a final report regarding all  
9 findings and recommendations to be delivered upon completion of all  
10 objectives described herein, but in no event later than March first, two  
11 thousand twenty-two, to the governor, the speaker of the assembly and  
12 the temporary president of the senate.

13 (i) The commission shall investigate all reasonable allegations of  
14 prohibited conduct and refer any allegations it deems credible to the  
15 appropriate law enforcement entity.

16 (j) Any person who is (i) an athlete, coach, referee, director of a  
17 sports governing body or any of its member teams, a player or other  
18 personnel member, in or on any sports event overseen by that person's  
19 sports governing body, (ii) holding a position of authority or influence  
20 sufficient to exert influence over the participants in a sporting  
21 contest, including but not limited to coaches, managers, handlers,  
22 athletic trainers, or (iii) a person with access to certain types of  
23 non-public information on any sports event overseen by that person's  
24 sports governing body, shall not be permitted to place a wager on a  
25 sports event that is overseen by that person's sports governing body so  
26 long as that person has been identified as a prohibited sports bettor in  
27 any lists provided by the sports governing body to the commission, casi-  
28 nos, and operators. Any person who violates this paragraph shall be  
29 guilty of a disorderly persons offense and shall be fined not less than  
30 five hundred dollars and not more than one thousand dollars.

31 (k) Casinos and operators shall adopt procedures to prevent persons  
32 from wagering on sports events who are prohibited from placing sports  
33 wagers. A casino or operator shall not accept wagers from any person:

34 (i) whose name appears on the exclusion list maintained by the commis-  
35 sion and provided to the casino or operator;

36 (ii) whose name appears on any self-exclusion list maintained by the  
37 commission and provided to the casino or operator;

38 (iii) who is the operator, director, officer, owner, or employee of  
39 the operator or casino or any relative thereof living in the same house-  
40 hold as such individual;

41 (iv) who has been identified in a list provided by the sports govern-  
42 ing body to the commission and casino or operator, that identifies the  
43 individual by such personally identifiable information as specified by  
44 rules and regulations promulgated by the commission;

45 (v) who is an agent or proxy for any other person; or

46 (vi) who has identified themselves to the operator as a prohibited  
47 sports pool participant.

48 (l) The commission shall establish a hotline or other method of commu-  
49 nication that allows any person to confidentially report information  
50 about prohibited conduct to the commission. The identity of any person  
51 reporting prohibited conduct to the commission shall remain confidential  
52 unless that person authorizes disclosure of his or her identity or until  
53 such time as the allegation of prohibited conduct is referred to law  
54 enforcement.

1 15. (a) Casinos shall use whatever data source they deem appropriate  
2 for determining the result of sports wagering involving tier one sports  
3 wagers.

4 (b) Casinos shall only use official league data in all sports wagering  
5 involving tier two sports wagers, if the relevant sports governing body  
6 is headquartered in the United States, possesses a feed of official  
7 league data, and makes such feed available for purchase by the casinos  
8 on commercially reasonable terms as determined by the commission.

9 (c) A sports governing body may notify the commission that it desires  
10 to require casinos to use official league data in sports wagering  
11 involving specific tier three sports wagers by providing notice in the  
12 form and manner as the commission may require. Upon receiving such  
13 notice, the commission shall review the request, seek input from the  
14 casinos on such a request, and if the commission deems it appropriate,  
15 promulgate regulations to require casinos to use official league data on  
16 sports wagering involving such tier three sports wagers if the relevant  
17 sports governing body possesses a feed of official league data, and  
18 makes such feed available for purchase by the casinos on commercially  
19 reasonable terms as determined by the commission.

20 (d) When determining whether or not a supplier of official league data  
21 is offering commercially reasonable terms, the commission shall consider  
22 the amount charged by the supplier of official league data to gaming  
23 operators in other jurisdictions. This information shall be provided to  
24 the commission by the supplier of official league data upon request of  
25 the commission. Any entity providing data to a casino for the purpose of  
26 tier two sports wagers shall obtain a license as a casino vendor enter-  
27 prise and such license shall be issued pursuant to the provisions of  
28 section thirteen hundred twenty-seven of this article and in accordance  
29 with the regulations promulgated by the commission.

30 (e) No casino shall enter into an agreement with a sports governing  
31 body or an entity expressly authorized to distribute official league  
32 data to be the exclusive recipient of their official league data.

33 (f) The commission shall promulgate regulations to allow an authorized  
34 sports bettor to file a complaint alleging an underpayment or non-pay-  
35 ment of a winning sports wager. Any such regulations shall provide that  
36 the commission utilize the statistics, results, outcomes, and other data  
37 relating to a sporting event that have been obtained from the relevant  
38 sports governing body in determining the validity of such claim.

39 16. A casino shall not permit sports wagering by anyone they know, or  
40 should have known, to be a prohibited sports bettor.

41 17. Sports wagering conducted pursuant to the provisions of this  
42 section is hereby authorized.

43 18. The commission shall promulgate rules that require an operator to  
44 implement responsible gaming programs that include comprehensive employ-  
45 ee trainings on responding to circumstances in which individuals present  
46 signs of a gambling addiction and requirements for casinos and operators  
47 under section thirteen hundred sixty-seven-a of this title to assess,  
48 prevent, and address problem gaming by users under the age of thirty.  
49 The commission shall establish a hotline or other method of communi-  
50 cation that will allow any person to confidentially report information  
51 about prohibited conduct to the commission. The commission shall promul-  
52 gate rules governing the investigation and resolution of a charge of any  
53 person purported to have engaged in prohibited conduct.

54 19. The conduct of sports wagering in violation of this section is  
55 prohibited.

1 20. (a) In addition to any criminal penalties provided for under arti-  
2 cle two hundred twenty-five of the penal law, any person, firm, corpo-  
3 ration, association, agent, or employee, who is not authorized to offer  
4 sports wagering under this section or section thirteen hundred sixty-  
5 seven-a of this title, and who knowingly offers or attempts to offer  
6 sports wagering or mobile sports wagering in New York shall be liable  
7 for a civil penalty of not more than one hundred thousand dollars for  
8 each violation, not to exceed five million dollars for violations aris-  
9 ing out of the same transaction or occurrence, which shall accrue to the  
10 state and may be recovered in a civil action brought by the commission.

11 (b) Any person, firm, corporation, association, agent, or employee who  
12 knowingly violates any procedure implemented under this section, or  
13 section thirteen hundred sixty-seven-a of this title, shall be liable  
14 for a civil penalty of not more than five thousand dollars for each  
15 violation, not to exceed fifty thousand dollars for violations arising  
16 out of the same transaction or occurrence, which shall accrue to the  
17 state and may be recovered in a civil action brought by the commission.

18 § 2. The racing, pari-mutuel wagering and breeding law is amended by  
19 adding a new section 1367-a to read as follows:

20 § 1367-a. Mobile sports wagering. 1. (a) Except as provided in this  
21 subdivision, the terms in this section shall have the same meanings as  
22 such terms are defined in subdivision one of section thirteen hundred  
23 sixty-seven of this title.

24 (b) "Operator" for purposes of this section, means a casino which has  
25 elected to offer a mobile sports wagering platform, an Indian Tribe (or  
26 agent of such Indian Tribe) that has entered into a tribal-state gaming  
27 compact in accordance with the Indian Gaming Regulatory Act, 25 U.S.C.  
28 2710, that is in effect and has been ratified by the state and has  
29 entered into a sports wagering agreement to operate with the commission  
30 pursuant to this section, or the agent of such licensed gaming facility  
31 or such Indian Tribe.

32 2. (a) No casino shall administer, manage, or otherwise make available  
33 a mobile sports wagering platform to persons located in New York state  
34 unless registered with the commission pursuant to this section. A casino  
35 may use up to two mobile sports wagering platforms and brands provided  
36 that such platforms and brands have been reviewed and approved by the  
37 commission. A casino may contract with up to two independent operators  
38 to provide its mobile sports wagering platforms. An independent operator  
39 may display its brand on the platform in addition to the casino's brand.

40 (b) Registrations issued by the commission shall remain in effect for  
41 five years. The commission shall establish a process for renewal.

42 (c) The commission shall publish a list of all operators and casinos  
43 registered to offer mobile sports wagering in New York state pursuant to  
44 this section on the commission's website for public use.

45 3. In the event that a casino contracts with an operator to provide  
46 its mobile sports wagering platform and brand, such operator shall  
47 obtain a license as a casino vendor enterprise prior to the execution of  
48 any such contract, and such license shall be issued pursuant to the  
49 provisions of section thirteen hundred twenty-seven of this article and  
50 in accordance with the regulations promulgated by the commission.

51 3-a. (a) As a condition of registration as an operator, each casino  
52 shall agree, upon request of an Indian Tribe that has not entered into  
53 an agreement for mobile sports wagering with another casino, to provide  
54 a site for a mobile sports wagering server and related equipment for the  
55 Indian Tribe as directed by the commission, at no cost to the Indian

1 Tribe except the direct and actual cost of hosting the server or other  
2 equipment used by the Indian Tribe as determined by the commission.

3 (b) As a condition of registration as an operator in New York state,  
4 an Indian Tribe shall enter into an agreement with the commission with  
5 respect to mobile sports wagering:

6 (i) To follow the requirements imposed on casinos and operators under  
7 this section and section thirteen hundred sixty-seven of this title with  
8 respect to the Indian Tribe's mobile sports wagering; to adhere to the  
9 regulations promulgated by the commission pursuant to this section with  
10 respect to mobile sports wagering, and to submit to the commission's  
11 enforcement of this section and section thirteen hundred sixty-seven of  
12 this title and regulations promulgated thereunder with respect to mobile  
13 sports wagering, including by waiving tribal sovereign immunity for the  
14 sole and limited purpose of such enforcement. Nothing herein shall be  
15 construed as requiring an Indian Tribe's agreement to adhere to the  
16 requirements of section thirteen hundred sixty-seven of this title for  
17 gaming conducted on tribal lands as a condition of offering mobile  
18 sports wagering under this section;

19 (ii) To waive the Indian Tribe's exclusive geographic right to offer  
20 and conduct mobile sports wagering, but not otherwise;

21 (iii) To remit payment to the state equal to tax on sports wagering  
22 revenue imposed under section thirteen hundred sixty-seven of this title  
23 with respect to mobile sports wagering;

24 (iv) Not to offer or to conduct mobile gaming other than mobile sports  
25 wagering pursuant to this section unless such mobile gaming is otherwise  
26 authorized by state or federal law; and

27 (v) To locate the server or other equipment used by the Indian Tribe  
28 or its agent to accept mobile sports wagering at a casino as defined in  
29 paragraph (e) of subdivision one of section thirteen hundred sixty-seven  
30 of this title that has applied for and is eligible to register as an  
31 operator of mobile sports wagering pursuant to this section and to pay  
32 the actual cost of hosting the server or other equipment as determined  
33 by the commission.

34 (c) All agreements entered into casinos and Indian Tribes with respect  
35 to hosting mobile sports wagering platforms for an Indian Tribe:

36 (i) Must be approved by the commission prior to taking effect and  
37 before registration of the casino or Indian Tribe as an operator under  
38 this section;

39 (ii) Must provide that the Indian Tribe may, at its sole discretion,  
40 terminate the agreement and all commitments, undertakings and waivers  
41 made by the Indian Tribe thereunder, except that the Indian Tribe's  
42 waiver of its exclusive geographic right to offer and conduct mobile  
43 sports wagering shall survive the termination of the agreement;

44 (iii) Shall be limited in applicability solely to the Indian Tribe's  
45 operation of mobile sports betting and shall not extend to any other  
46 operation or activity of the Indian Tribe; and

47 (iv) Shall not create any rights or privileges to any third party who  
48 is not a party to the agreement, except that the commission shall have  
49 the power to enforce the agreement including by revoking or suspending  
50 the registration of a party that fails to comply with its obligations  
51 under the agreement.

52 (d) No mobile sports wagering may be conducted within an Indian  
53 Tribe's exclusive geographic area unless the Indian Tribe with exclusive  
54 geographic right to that area is registered as an operator under this  
55 section. Operators shall use geo-location and geo-fencing technology to  
56 ensure that mobile sports wagering is not available to persons who are

1 physically located in an Indian Tribe's exclusive geographic area,  
2 unless the Indian Tribe with exclusive geographic right to that area is  
3 registered as an operator under this section.

4 3-b. (a) The commission shall promulgate regulations to implement the  
5 provisions of this section, including:

6 (i) the development of the initial form of the application for regis-  
7 tration;

8 (ii) responsible protections with regard to compulsive play safeguards  
9 for fair play;

10 (iii) requiring that operators adopt controls to prevent minors from  
11 creating accounts and placing wagers;

12 (iv) requiring that operators adopt controls to maintain the efficien-  
13 cy of self-exclusion limits; and

14 (v) requiring that operators utilize commercially reasonable techno-  
15 logical means of verifying account holders' identities.

16 (b) The commission shall prescribe the initial form of the application  
17 for registration, for operators, which shall require, but not be limited  
18 to:

19 (i) the full name and principal address of the operator;

20 (ii) if a corporation, the name of the state in which incorporated and  
21 the full names and addresses of any partner, officer, director, share-  
22 holder holding ten percent or more equity, and ultimate equitable  
23 owners;

24 (iii) if a business entity other than a corporation, the full names  
25 and addresses of the principals, partners, shareholders holding five  
26 percent or more equity, and ultimate equitable owners;

27 (iv) whether such corporation or entity files information and reports  
28 with the United States Securities and Exchange Commission as required by  
29 section thirteen of the Securities Exchange Act of 1934, 15 U.S.C. §§  
30 78a-78kk; or whether the securities of the corporation or entity are  
31 regularly traded on an established securities market in the United  
32 States;

33 (v) the type and estimated number of contests to be conducted annual-  
34 ly; and

35 (vi) a statement of the assets and liabilities of the operator.

36 (c) The commission may require the full names and addresses of the  
37 officers and directors of any creditor of the operator, and of those  
38 stockholders who hold more than ten percent of the stock of the credi-  
39 tor.

40 (d) Upon receipt of an application for registration for each individ-  
41 ual listed on such application as an officer or director, the commission  
42 shall submit to the division of criminal justice services a set of fing-  
43 erprints, and the division of criminal justice services processing fee  
44 imposed pursuant to subdivision eight-a of section eight hundred thir-  
45 ty-seven of the executive law and any fee imposed by the federal bureau  
46 of investigation. Upon receipt of the fingerprints, the division of  
47 criminal justice services shall promptly forward a set of the individ-  
48 ual's fingerprints to the federal bureau of investigation for the  
49 purpose of a nationwide criminal history record check to determine  
50 whether such individual has been convicted of a criminal offense in any  
51 state other than New York or in a federal jurisdiction. The division of  
52 criminal justice services shall promptly provide the requested criminal  
53 history information to the commission. For the purposes of this section,  
54 the term "criminal history information" shall mean a record of all  
55 convictions of crimes and any pending criminal charges maintained on an  
56 individual by the division of criminal justice services and the federal

1 bureau of investigation. All such criminal history information sent to  
2 the commission pursuant to this subdivision shall be confidential and  
3 shall not be published or in any way disclosed to persons other than the  
4 commission, unless otherwise authorized by law.

5 (e) Upon receipt of criminal history information pursuant to paragraph  
6 (d) of this subdivision, the commission shall make a determination to  
7 approve or deny an application for registration; provided, however, that  
8 before making a determination on such application, the commission shall  
9 provide the subject of the record with a copy of such criminal history  
10 information and a copy of article twenty-three-A of the correction law  
11 and inform such prospective applicant seeking to be credentialed of his  
12 or her right to seek correction of any incorrect information contained  
13 in such criminal history information pursuant to the regulations and  
14 procedures established by the division of criminal justice services.  
15 The commission shall deny any application for registration, or suspend,  
16 refuse to renew, or revoke any existing registration issued pursuant to  
17 this article, upon the finding that the operator or registrant, or any  
18 partner, officer, director, or shareholder:

19 (i) has knowingly made a false statement of material fact or has  
20 deliberately failed to disclose any information required by the commis-  
21 sion;

22 (ii) has had a gaming registration or license denied, suspended, or  
23 revoked in any other state or country for just cause;

24 (iii) has legally defaulted in the payment of any obligation or debt  
25 due to any state or political subdivision; or

26 (iv) has at any time knowingly failed to comply with any requirement  
27 outlined in this section, any other provision of this article, any regu-  
28 lations promulgated by the commission or any additional requirements of  
29 the commission.

30 (f) All determinations to approve or deny an application pursuant to  
31 this article shall be performed in a manner consistent with subdivision  
32 sixteen of section two hundred ninety-six of the executive law and arti-  
33 cle twenty-three-A of the correction law. When the commission denies an  
34 application, the operator shall be afforded notice and the right to be  
35 heard and offer proof in opposition to such determination in accordance  
36 with the regulations of the commission.

37 4. (a) As a condition of registration in New York state, each operator  
38 shall implement the following measures:

39 (i) limit each authorized sports bettor to one active and continuously  
40 used account on their platform, and prevent anyone they know, or should  
41 have known to be a prohibited sports bettor from maintaining accounts or  
42 participating in any sports wagering offered by such operator;

43 (ii) adopt appropriate safeguards to ensure, to a reasonable degree of  
44 certainty, that authorized sports bettors are physically located within  
45 the state when engaging in mobile sports betting;

46 (iii) prohibit minors from participating in any sports wagering, which  
47 includes:

48 (1) if an operator becomes or is made aware that a minor has created  
49 an account, or accessed the account of another, such operator shall  
50 promptly, within no more than two business days, refund any deposit  
51 received from the minor, whether or not the minor has engaged in or  
52 attempted to engage in sports wagering; provided, however, that any  
53 refund may be offset by any prizes already awarded;

54 (2) each operator shall provide parental control procedures to allow  
55 parents or guardians to exclude minors from access to any sports wager-

1 ing or platform. Such procedures shall include a toll-free number to  
2 call for help in establishing such parental controls; and

3 (3) each operator shall take appropriate steps to confirm that an  
4 individual opening an account is not a minor;

5 (iv) when referencing the chances or likelihood of winning in adver-  
6 tisements or upon placement of a sports wager, make clear and conspicu-  
7 ous statements that are not inaccurate or misleading concerning the  
8 chances of winning and the number of winners;

9 (v) enable authorized sports bettors to exclude themselves from sports  
10 wagering and take reasonable steps to prevent such bettors from engaging  
11 in sports wagering from which they have excluded themselves;

12 (vi) permit any authorized sports bettor to permanently close an  
13 account registered to such bettor, on any and all platforms supported by  
14 such operator, at any time and for any reason;

15 (vii) offer introductory procedures for authorized sports bettors,  
16 that shall be prominently displayed on the main page of such operator  
17 platform, that explain sports wagering;

18 (viii) implement measures to protect the privacy and online security  
19 of authorized sports bettors and their accounts;

20 (ix) offer all authorized sports bettors access to his or her account  
21 history and account details;

22 (x) ensure authorized sports bettors' funds are protected upon deposit  
23 and segregated from the operating funds of such operator and otherwise  
24 protected from corporate insolvency, financial risk, or criminal or  
25 civil actions against such operator;

26 (xi) list on each website, in a prominent place, information concern-  
27 ing assistance for compulsive play in New York state, including a toll-  
28 free number directing callers to reputable resources containing further  
29 information, which shall be free of charge;

30 (xii) ensure no sports wagering shall be based on a prohibited sports  
31 event;

32 (xiii) permit account holders to establish self-exclusion gaming  
33 limits on a daily, weekly, and monthly basis that enable the account  
34 holder to identify the maximum amount of money an account holder may  
35 deposit during such period of time;

36 (xiv) when an account holder's lifetime deposits exceed two thousand  
37 five hundred dollars, the operator shall prevent any wagering until the  
38 patron immediately acknowledges, and acknowledges each year thereafter,  
39 that the account holder has met the deposit threshold and may elect to  
40 establish responsible gaming limits or close the account, and the  
41 account holder has received disclosures from the operator concerning  
42 problem gambling resources;

43 (xv) maintain a publicly accessible internet page dedicated to respon-  
44 sible play, a link to which must appear on the operator's website and in  
45 any mobile application or electronic platform on which a bettor may  
46 place wagers. The responsible play page shall include: a statement of  
47 the operator's policy and commitment to responsible gaming; information  
48 regarding, or links to information regarding, the risks associated with  
49 gambling and the potential signs of problem gaming; the availability of  
50 self-imposed responsible gaming limits; a link to a problem gaming  
51 webpage maintained by the office of addiction services and supports; and  
52 such other information or statements as the commission may require by  
53 rule; and

54 (xvi) submit annually a problem gaming plan to the commission that  
55 includes: the objectives of and timetables for implementing the plan;  
56 identification of the persons responsible for implementing and maintain-

1 ing the plan; procedures for identifying users with suspected or known  
2 problem gaming behavior; procedures for providing information to users  
3 concerning problem gaming identification and resources; procedures to  
4 prevent gaming by minors and self-excluded persons; and such other prob-  
5 lem gaming information as the commission may require by rule.

6 (b) Operators shall not directly or indirectly operate, promote, or  
7 advertise any platform or sports wagering to persons located in New York  
8 state unless registered pursuant to this article.

9 (c) Operators shall not offer any sports wagering based on any prohib-  
10 ited sports event.

11 (d) Operators shall not permit sports wagering by anyone they know, or  
12 should have known, to be a prohibited sports bettor.

13 (e) Advertisements for contests and prizes offered by an operator  
14 shall not target prohibited sports bettors, minors, or self-excluded  
15 persons.

16 (f) Operators shall prohibit the use of third-party scripts or script-  
17 ing programs for any exchange wagering contest and ensure that measures  
18 are in place to deter, detect and, to the extent reasonably possible,  
19 prevent cheating, including collusion, and the use of cheating devices,  
20 including use of software programs that submit exchange wagering sports  
21 wagers unless otherwise approved by the commission.

22 (g) Operators shall develop and prominently display procedures on the  
23 main page of such operator's platform for the filing of a complaint by  
24 an authorized sports bettor against such operator. An initial response  
25 shall be given by such operator to such bettor filing the complaint  
26 within forty-eight hours. A complete response shall be given by such  
27 operator to such bettor filing the complaint within ten business days.  
28 An authorized sports bettor may file a complaint alleging a violation of  
29 the provisions of this article with the commission.

30 (h) Operators shall maintain records of all accounts belonging to  
31 authorized sports bettors and retain such records of all transactions in  
32 such accounts for the preceding five years.

33 (i) The server or other equipment which is used by an operator to  
34 accept mobile sports wagering shall be located in the licensed gaming  
35 facility in accordance with regulations promulgated by the commission.

36 (j) All mobile sports wagering initiated in this state shall be deemed  
37 to take place at the licensed gaming facility where the server or other  
38 equipment used by an operator to accept mobile sports wagering is  
39 located, regardless of the authorized sports bettor's physical location  
40 within this state.

41 (k) All mobile sports wagering shall be conducted in compliance with  
42 this section and section thirteen hundred sixty-seven of this title.

43 (l) Permit an Indian Tribe pursuant to paragraph (a) of subdivision  
44 three-a of this section to place at the licensed gaming facility the  
45 server or other equipment by which the Indian Tribe may accept mobile  
46 sports wagering, and to make commercially reasonable accommodations as  
47 may be necessary to place and operate the Indian Tribe's server or other  
48 equipment.

49 5. (a) Subject to regulations promulgated by the commission, casinos  
50 may enter into agreements with operators or affiliates to allow for  
51 authorized bettors to sign up to create and fund accounts on mobile  
52 sports wagering platforms offered by the casino.

53 (b) Authorized sports bettors may sign up to create their account on a  
54 mobile sports wagering platform in person at a casino, or an affiliate,  
55 or through an operators internet website accessed via a mobile device or  
56 computer, or mobile device applications.



1 (c) Authorized sports bettors may deposit and withdraw funds in their  
2 account on a mobile sports wagering platform in person at a casino, or  
3 an affiliate, electronically recognized payment methods, or via any  
4 other means approved by the commission.

5 (d) In accordance with regulations promulgated by the commission,  
6 casinos may enter into agreements with affiliates to locate self-service  
7 mobile sports betting kiosks, which are owned, operated and maintained  
8 by the casino, and connected via the internet to the casino, upon the  
9 premises of the affiliate. Authorized sports bettors may place account  
10 wagers, and place and redeem non-account cash wagers, at such kiosks.

11 (e) All agreements entered into between casinos and affiliates in  
12 relation to the provisions of this section shall be approved by the  
13 commission prior to taking effect and shall include a plan for the time-  
14 ly payment of liabilities due to the affiliate under the agreement;  
15 provided, however, that the commission shall not approve any such agree-  
16 ment between a casino and a racetrack licensed pursuant to this chapter  
17 or an operator of video lottery gaming at Aqueduct licensed pursuant to  
18 section one thousand six hundred seventeen-a of the tax law, until  
19 twelve months after the effective date of this paragraph; and provided,  
20 further, that the commission shall not approve any such agreement  
21 between a casino and a professional sports stadium or arena, until twenty  
22 months after the effective date of this paragraph.

23 6. The commission shall annually cause a report to be prepared and  
24 distributed to the governor and the legislature on the impact of mobile  
25 sports wagering on problem gamblers in New York. The report shall  
26 include an assessment of problem gaming among persons under the age of  
27 thirty. The report shall be prepared by a non-governmental organization  
28 or entity with expertise in serving the needs of persons with gambling  
29 addictions. The report shall be prepared and distributed under the  
30 supervision of and in coordination with the commission. The costs asso-  
31 ciated with the preparation and distribution of the report shall be  
32 borne by operators and the commission shall be authorized to assess a  
33 fee against operators for these purposes. The commission shall also  
34 report periodically to the governor and the legislature on the effec-  
35 tiveness of the statutory and regulatory controls in place to ensure the  
36 integrity of mobile sports wagering operations.

37 § 3. Section 104 of the racing, pari-mutuel wagering and breeding law  
38 is amended by adding a new subdivision 24 to read as follows:

39 24. To regulate sports wagering in New York state.

40 § 4. Subdivision 1 of section 1351 of the racing, pari-mutuel wagering  
41 and breeding law, as added by chapter 174 of the laws of 2013, is  
42 amended to read as follows:

43 1. (a) For a gaming facility in zone two, there is hereby imposed a  
44 tax on gross gaming revenues. The amount of such tax imposed shall be  
45 as follows[~~, provided, however, should a licensee have agreed within its~~  
46 ~~application to supplement the tax with a binding supplemental fee~~  
47 ~~payment exceeding the aforementioned tax rate, such tax and supplemental~~  
48 ~~fee shall apply for a gaming facility]:~~

49 [~~(a)~~] (1) in region two, forty-five percent of gross gaming revenue  
50 from slot machines and ten percent of gross gaming revenue from all  
51 other sources.

52 [~~(b)~~] (2) in region one, thirty-nine percent of gross gaming revenue  
53 from slot machines and ten percent of gross gaming revenue from all  
54 other sources.

1 [~~e~~] (3) in region five, thirty-seven percent of gross gaming revenue  
2 from slot machines and ten percent of gross gaming revenue from all  
3 other sources.

4 (b) (1) Notwithstanding the rates in paragraph (a) of this subdivi-  
5 sion, a gaming facility may petition the commission to lower the tax  
6 rate applicable to its slot machines to no lower than eighty percent of  
7 the current tax rate applicable to such slot machines. The commission  
8 shall evaluate the petition using the following criteria:

9 (i) the ability of the licensee to satisfy the license criterion of  
10 financial stability absent the tax rate reduction;

11 (ii) a complete examination of all financial projections, as well as  
12 gaming revenues generated for the prior annual period;

13 (iii) the licensee's intended use of the funds resulting from a tax  
14 adjustment;

15 (iv) the inability of the operator to remain competitive under the  
16 current tax structure;

17 (v) positions advanced by other gaming operators in the state in  
18 response to the petition;

19 (vi) the impact on the competitive landscape;

20 (vii) other economic factors such as employment and the potential  
21 impact upon other businesses in the region; and

22 (viii) the public interest to be served by a tax adjustment, including  
23 the impact upon the state in the event the operator is unable to remain  
24 financially viable.

25 (2) The commission shall report their recommendation to the director  
26 of the division of budget who will make a final determination, provided  
27 however, that prior to the final determination by the director of the  
28 division of budget, the gaming commission and the director of the divi-  
29 sion of budget shall notify in writing the chairs of the senate finance  
30 committee and assembly ways and means committee detailing the recommen-  
31 dation made by the gaming commission and the proposed final determi-  
32 nation by such director, respectively. The legislature shall then have  
33 ten days following the receipt of the written notification from the  
34 director of the division of budget to either prepare its own plan, which  
35 may take into consideration the recommendation made by the gaming  
36 commission, and which shall be adopted by concurrent resolution passed  
37 by both houses, or if after ten days the legislature fails to adopt  
38 its own plan, the final determination proposed by the director of the  
39 division of budget will go into effect automatically.

40 § 5. Severability clause. If any provision of this act or application  
41 thereof shall for any reason be adjudged by any court of competent  
42 jurisdiction to be invalid, such judgment shall not affect, impair, or  
43 invalidate the remainder of the act, but shall be confined in its opera-  
44 tion to the provision thereof directly involved in the controversy in  
45 which the judgment shall have been rendered.

46 § 6. This act shall take effect immediately; provided, however, that  
47 section four of this act shall take effect sixty days after mobile  
48 sports wagering commences and shall expire and be deemed repealed one  
49 year after such date.

50 PART Z

51 Intentionally Omitted

52 PART AA

1 Section 1. Paragraph 1 of subdivision a of section 1612 of the tax  
 2 law, as amended by chapter 174 of the laws of 2013, is amended to read  
 3 as follows:

4 (1) sixty percent of the total amount for which tickets have been sold  
 5 for [~~a lawful lottery~~] the Quick Draw game [~~introduced on or after the~~  
 6 ~~effective date of this paragraph,~~] subject to [~~the following provisions:~~

7 ~~(A) such game shall be available only on premises occupied by licensed~~  
 8 ~~lottery sales agents, subject to the following provisions:~~

9 ~~(i) if the licensee does not hold a license issued pursuant to the~~  
 10 ~~alcoholic beverage control law to sell alcoholic beverages for consump-~~  
 11 ~~tion on the premises, then the premises must have a minimum square~~  
 12 ~~footage greater than two thousand five hundred square feet;~~

13 ~~(ii) notwithstanding the foregoing provisions, television equipment~~  
 14 ~~that automatically displays the results of such drawings may be~~  
 15 ~~installed and used without regard to the square footage if such premises~~  
 16 ~~are used as:~~

17 ~~(I) a commercial bowling establishment, or~~

18 ~~(II) a facility authorized under the racing, pari-mutuel wagering and~~  
 19 ~~breeding law to accept pari-mutuel wagers;~~

20 ~~(B) the~~] rules for the operation of such game [~~shall be~~] as prescribed  
 21 by regulations promulgated and adopted by the [~~division, provided howev-~~  
 22 ~~er, that such rules shall provide that no person under the age of twen-~~  
 23 ~~ty-one may participate in such games on the premises of a licensee who~~  
 24 ~~holds a license issued pursuant to the alcoholic beverage control law to~~  
 25 ~~sell alcoholic beverages for consumption on the premises; and, provided,~~  
 26 ~~further, that such regulations may be revised on an emergency basis not~~  
 27 ~~later than ninety days after the enactment of this paragraph in order to~~  
 28 ~~conform such regulations to the requirements of this paragraph] commis-  
 29 sion; or~~

30 § 2. This act shall take effect immediately.

31 PART BB

32 Section 1. Paragraphs 4 and 5 of subdivision a of section 1612 of the  
 33 tax law, as amended by chapter 174 of the laws of 2013, are amended to  
 34 read as follows:

35 (4) fifty percent of the total amount for which tickets have been sold  
 36 for games known as: (A) the "Daily Numbers Game" or "Win 4", discrete  
 37 games in which the participants select no more than three or four of  
 38 their own numbers to match with three or four numbers drawn by the  
 39 [~~division~~] commission for purposes of determining winners of such games,  
 40 (B) "Pick 10", [~~offered no more than once daily,~~] in which participants  
 41 select from a specified field of numbers a subset of ten numbers to  
 42 match against a subset of numbers to be drawn by the [~~division~~] commis-  
 43 sion from such field of numbers for the purpose of determining winners  
 44 of such game, (C) "Take 5", [~~offered no more than once daily,~~] in which  
 45 participants select from a specified field of numbers a subset of five  
 46 numbers to match against a subset of five numbers to be drawn by the  
 47 [~~division~~] commission from such field of numbers for purposes of deter-  
 48 mining winners of such game; or

49 (5) forty percent of the total amount for which tickets have been sold  
 50 for: (A) "Lotto", [~~offered no more than once daily,~~] a discrete game in  
 51 which all participants select a specific subset of numbers to match a  
 52 specific subset of numbers, as prescribed by rules and regulations  
 53 promulgated and adopted by the [~~division~~] commission, from a larger  
 54 specific field of numbers, as also prescribed by such rules and regu-

1 lations and (B) with the exception of the game described in paragraph  
2 one of this subdivision, such other state-operated lottery games [~~which~~  
3 that the [~~division~~] commission may introduce, [~~offered no more than once~~  
4 ~~daily,~~] commencing on or after forty-five days following the official  
5 publication of the rules and regulations for such game.

6 § 2. This act shall take effect immediately.

7 PART CC

8 Section 1. Sections 1368, 1369, 1370 and 1371 of the racing, pari-mu-  
9 tuel wagering and breeding law are renumbered sections 130, 131, 132 and  
10 133.

11 § 2. Title 9 of article 13 of the racing, pari-mutuel wagering and  
12 breeding law is REPEALED.

13 § 3. Section 130 of the racing, pari-mutuel wagering and breeding law,  
14 as added by chapter 174 of the laws of 2013 and as renumbered by section  
15 one of this act, is amended to read as follows:

16 § 130. [~~Establishment of the~~] The office of gaming inspector general.  
17 [~~There is hereby created within the commission the office of gaming~~  
18 ~~inspector general. The head of the office shall be the gaming inspector~~  
19 ~~general who shall be appointed by the governor by and with the advice~~  
20 ~~and consent of the senate. The inspector general shall serve at the~~  
21 ~~pleasure of the governor. The inspector general shall report directly to~~  
22 ~~the governor. The person appointed as inspector general shall, upon his~~  
23 ~~or her appointment, have not less than ten years professional experience~~  
24 ~~in law, investigation, or auditing. The inspector general shall be~~  
25 ~~compensated within the limits of funds available therefor, provided,~~  
26 ~~however, such salary shall be no less than the salaries of certain state~~  
27 ~~officers holding the positions indicated in paragraph (a) of subdivision~~  
28 ~~one of section one hundred sixty nine of the executive law.] The duties  
29 and responsibilities of the former office of the gaming inspector gener-  
30 al are transferred to and encompassed by the office of the state inspec-  
31 tor general as expressly referenced in article four-A of the executive  
32 law.~~

33 § 4. Section 131 of the racing, pari-mutuel wagering and breeding law,  
34 as added by chapter 174 of the laws of 2013 and as renumbered by section  
35 one of this act, is amended to read as follows:

36 § 131. [~~State gaming~~] Gaming inspector general; functions and duties.  
37 The [~~state~~] gaming inspector general shall have the following duties and  
38 responsibilities:

39 1. receive and investigate complaints from any source, or upon his or  
40 her own initiative, concerning allegations of corruption, fraud, crimi-  
41 nal activity, conflicts of interest or abuse in the commission;

42 2. [~~inform the commission members of such allegations and the progress~~  
43 ~~of investigations related thereto, unless special circumstances require~~  
44 ~~confidentiality;~~

45 ~~3-]~~ determine with respect to such allegations whether disciplinary  
46 action, civil or criminal prosecution, or further investigation by an  
47 appropriate federal, state or local agency is warranted, and to assist  
48 in such investigations;

49 [~~4-]~~ 3. prepare and release to the public written reports of such  
50 investigations, as appropriate and to the extent permitted by law,  
51 subject to redaction to protect the confidentiality of witnesses. The  
52 release of all or portions of such reports may be deferred to protect  
53 the confidentiality of ongoing investigations;

1     ~~[5-]~~ 4. review and examine periodically the policies and procedures of  
2 the commission with regard to the prevention and detection of  
3 corruption, fraud, criminal activity, conflicts of interest or abuse;

4     ~~[6-]~~ 5. recommend remedial action to prevent or eliminate corruption,  
5 fraud, criminal activity, conflicts of interest or abuse in the commis-  
6 sion; and

7     ~~[7-]~~ 6. establish programs for training commission officers and  
8 employees ~~[regarding]~~ in regard to the prevention and elimination of  
9 corruption, fraud, criminal activity, conflicts of interest or abuse in  
10 the commission.

11     § 5. Section 132 of the racing, pari-mutuel wagering and breeding law,  
12 as added by chapter 174 of the laws of 2013 and as renumbered by section  
13 one of this act, is amended to read as follows:

14     § 132. Powers. The ~~[state]~~ gaming inspector general shall have the  
15 power to:

16     1. subpoena and enforce the attendance of witnesses;

17     2. administer oaths or affirmations and examine witnesses under oath;

18     3. require the production of any books and papers deemed relevant or  
19 material to any investigation, examination or review;

20     4. notwithstanding any law to the contrary, examine and copy or remove  
21 documents or records of any kind prepared, maintained or held by the  
22 commission;

23     5. require any commission officer or employee to answer questions  
24 concerning any matter related to the performance of his or her official  
25 duties. No statement or other evidence derived therefrom may be used  
26 against such officer or employee in any subsequent criminal prosecution  
27 other than for perjury or contempt arising from such testimony. The  
28 refusal of any officer or employee to answer questions shall be cause  
29 for removal from office or employment or other appropriate penalty;

30     6. monitor the implementation by the commission of any recommendations  
31 made by the state inspector general; and

32     7. perform any other functions that are necessary or appropriate to  
33 fulfill the duties and responsibilities of the office.

34     § 6. Section 133 of the racing, pari-mutuel wagering and breeding law,  
35 as added by chapter 174 of the laws of 2013 and as renumbered by section  
36 one of this act, is amended to read as follows:

37     § 133. Responsibilities of the commission and its officers and employ-  
38 ees. 1. Every commission officer or employee shall report promptly to  
39 the ~~[state]~~ gaming inspector general any information concerning  
40 corruption, fraud, criminal activity, conflicts of interest or abuse by  
41 another state officer or employee relating to his or her office or  
42 employment, or by a person having business dealings with the commission  
43 relating to those dealings. The knowing failure of any officer or  
44 employee to so report shall be cause for removal from office or employ-  
45 ment or other appropriate penalty under this article. Any officer or  
46 employee who acts pursuant to this subdivision by reporting to the  
47 ~~[state]~~ gaming inspector general or other appropriate law enforcement  
48 official improper governmental action as defined in section seventy-  
49 five-b of the civil service law shall not be subject to dismissal,  
50 discipline or other adverse personnel action.

51     2. The commission chair shall advise the governor within ninety days  
52 of the issuance of a report by the ~~[state]~~ gaming inspector general as  
53 to the remedial action that the commission has taken in response to any  
54 recommendation for such action contained in such report.

55     § 7. The racing, pari-mutuel wagering and breeding law is amended by  
56 adding a new section 134 to read as follows:

1 § 134. Transfer of employees. Upon the transfer of functions,  
2 powers, duties and obligations to the office of the state inspector  
3 general pursuant to this article, provision shall be made for the  
4 transfer of all gaming inspector general employees from within the  
5 gaming commission into the office of the state inspector general.  
6 Employees so transferred shall be transferred without further exam-  
7 ination or qualification to the same or similar titles, shall  
8 remain in the same collective bargaining units and shall retain their  
9 respective civil service classifications, status and rights pursuant to  
10 their collective bargaining units and collective bargaining agree-  
11 ments.

12 § 8. The racing, pari-mutuel wagering and breeding law is amended by  
13 adding a new section 135 to read as follows:

14 § 135. Transfer of records. All books, papers, records and property of  
15 the gaming inspector general within the gaming commission with respect  
16 to the functions, powers, duties and obligations transferred by  
17 section one hundred thirty of this article, are to be delivered to the  
18 appropriate successor offices within the office of the state inspector  
19 general, at such place and time, and in such manner as the office of  
20 the state inspector general may require.

21 § 9. This act shall take effect on the sixtieth day after it shall  
22 have become a law.

23 PART DD

24 Section 1. Paragraph (a) of subdivision 1 of section 1003 of the  
25 racing, pari-mutuel wagering and breeding law, as amended by section 1  
26 of part Z of chapter 59 of the laws of 2020, is amended to read as  
27 follows:

28 (a) Any racing association or corporation or regional off-track  
29 betting corporation, authorized to conduct pari-mutuel wagering under  
30 this chapter, desiring to display the simulcast of horse races on which  
31 pari-mutuel betting shall be permitted in the manner and subject to the  
32 conditions provided for in this article may apply to the commission for  
33 a license so to do. Applications for licenses shall be in such form as  
34 may be prescribed by the commission and shall contain such information  
35 or other material or evidence as the commission may require. No license  
36 shall be issued by the commission authorizing the simulcast transmission  
37 of thoroughbred races from a track located in Suffolk county. The fee  
38 for such licenses shall be five hundred dollars per simulcast facility  
39 and for account wagering licensees that do not operate either a simul-  
40 cast facility that is open to the public within the state of New York or  
41 a licensed racetrack within the state, twenty thousand dollars per year  
42 payable by the licensee to the commission for deposit into the general  
43 fund. Except as provided in this section, the commission shall not  
44 approve any application to conduct simulcasting into individual or group  
45 residences, homes or other areas for the purposes of or in connection  
46 with pari-mutuel wagering. The commission may approve simulcasting into  
47 residences, homes or other areas to be conducted jointly by one or more  
48 regional off-track betting corporations and one or more of the follow-  
49 ing: a franchised corporation, thoroughbred racing corporation or a  
50 harness racing corporation or association; provided (i) the simulcasting  
51 consists only of those races on which pari-mutuel betting is authorized  
52 by this chapter at one or more simulcast facilities for each of the  
53 contracting off-track betting corporations which shall include wagers  
54 made in accordance with section one thousand fifteen, one thousand

1 sixteen and one thousand seventeen of this article; provided further  
2 that the contract provisions or other simulcast arrangements for such  
3 simulcast facility shall be no less favorable than those in effect on  
4 January first, two thousand five; (ii) that each off-track betting  
5 corporation having within its geographic boundaries such residences,  
6 homes or other areas technically capable of receiving the simulcast  
7 signal shall be a contracting party; (iii) the distribution of revenues  
8 shall be subject to contractual agreement of the parties except that  
9 statutory payments to non-contracting parties, if any, may not be  
10 reduced; provided, however, that nothing herein to the contrary shall  
11 prevent a track from televising its races on an irregular basis primari-  
12 ly for promotional or marketing purposes as found by the commission. For  
13 purposes of this paragraph, the provisions of section one thousand thir-  
14 teen of this article shall not apply. Any agreement authorizing an  
15 in-home simulcasting experiment commencing prior to May fifteenth, nine-  
16 teen hundred ninety-five, may, and all its terms, be extended until June  
17 thirtieth, two thousand [~~twenty-one~~ twenty-two]; provided, however, that  
18 any party to such agreement may elect to terminate such agreement upon  
19 conveying written notice to all other parties of such agreement at least  
20 forty-five days prior to the effective date of the termination, via  
21 registered mail. Any party to an agreement receiving such notice of an  
22 intent to terminate, may request the commission to mediate between the  
23 parties new terms and conditions in a replacement agreement between the  
24 parties as will permit continuation of an in-home experiment until June  
25 thirtieth, two thousand [~~twenty-one~~ twenty-two]; and (iv) no in-home  
26 simulcasting in the thoroughbred special betting district shall occur  
27 without the approval of the regional thoroughbred track.

28 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section  
29 1007 of the racing, pari-mutuel wagering and breeding law, as separately  
30 amended by chapter 243 and section 2 of part Z of chapter 59 of the laws  
31 of 2020, is amended to read as follows:

32 (iii) Of the sums retained by a receiving track located in Westchester  
33 county on races received from a franchised corporation, for the period  
34 commencing January first, two thousand eight and continuing through June  
35 thirtieth, two thousand [~~twenty-one~~ twenty-two], the amount used exclu-  
36 sively for purses to be awarded at races conducted by such receiving  
37 track shall be computed as follows: of the sums so retained, two and  
38 one-half percent of the total pools. Such amount shall be increased or  
39 decreased in the amount of fifty percent of the difference in total  
40 commissions determined by comparing the total commissions available  
41 after July twenty-first, nineteen hundred ninety-five to the total  
42 commissions that would have been available to such track prior to July  
43 twenty-first, nineteen hundred ninety-five.

44 § 3. The opening paragraph of subdivision 1 of section 1014 of the  
45 racing, pari-mutuel wagering and breeding law, as separately amended by  
46 section 3 of part Z of chapter 59 and chapter 243 of the laws of 2020,  
47 is amended to read as follows:

48 The provisions of this section shall govern the simulcasting of races  
49 conducted at thoroughbred tracks located in another state or country on  
50 any day during which a franchised corporation is conducting a race meet-  
51 ing in Saratoga county at Saratoga thoroughbred racetrack until June  
52 thirtieth, two thousand [~~twenty-one~~ twenty-two] and on any day regard-  
53 less of whether or not a franchised corporation is conducting a race  
54 meeting in Saratoga county at Saratoga thoroughbred racetrack after June  
55 thirtieth, two thousand [~~twenty-one~~ twenty-two]. On any day on which a  
56 franchised corporation has not scheduled a racing program but a

1 thoroughbred racing corporation located within the state is conducting  
2 racing, each off-track betting corporation branch office and each simul-  
3 casting facility licensed in accordance with section one thousand seven  
4 (that has entered into a written agreement with such facility's repre-  
5 sentative horsemen's organization, as approved by the commission), one  
6 thousand eight, or one thousand nine of this article shall be authorized  
7 to accept wagers and display the live simulcast signal from thoroughbred  
8 tracks located in another state or foreign country subject to the  
9 following provisions:

10 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering  
11 and breeding law, as amended by section 4 of part Z of chapter 59 of the  
12 laws of 2020, is amended to read as follows:

13 1. The provisions of this section shall govern the simulcasting of  
14 races conducted at harness tracks located in another state or country  
15 during the period July first, nineteen hundred ninety-four through June  
16 thirtieth, two thousand [~~twenty-one~~] twenty-two. This section shall  
17 supersede all inconsistent provisions of this chapter.

18 § 5. The opening paragraph of subdivision 1 of section 1016 of the  
19 racing, pari-mutuel wagering and breeding law, as amended by section 5  
20 of part Z of chapter 59 of the laws of 2020, is amended to read as  
21 follows:

22 The provisions of this section shall govern the simulcasting of races  
23 conducted at thoroughbred tracks located in another state or country on  
24 any day during which a franchised corporation is not conducting a race  
25 meeting in Saratoga county at Saratoga thoroughbred racetrack until June  
26 thirtieth, two thousand [~~twenty-one~~] twenty-two. Every off-track  
27 betting corporation branch office and every simulcasting facility  
28 licensed in accordance with section one thousand seven that have entered  
29 into a written agreement with such facility's representative horsemen's  
30 organization as approved by the commission, one thousand eight or one  
31 thousand nine of this article shall be authorized to accept wagers and  
32 display the live full-card simulcast signal of thoroughbred tracks  
33 (which may include quarter horse or mixed meetings provided that all  
34 such wagering on such races shall be construed to be thoroughbred races)  
35 located in another state or foreign country, subject to the following  
36 provisions; provided, however, no such written agreement shall be  
37 required of a franchised corporation licensed in accordance with section  
38 one thousand seven of this article:

39 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel  
40 wagering and breeding law, as amended by section 6 of part Z of chapter  
41 59 of the laws of 2020, is amended to read as follows:

42 Notwithstanding any other provision of this chapter, for the period  
43 July twenty-fifth, two thousand one through September eighth, two thou-  
44 sand [~~twenty~~] twenty-one, when a franchised corporation is conducting a  
45 race meeting within the state at Saratoga Race Course, every off-track  
46 betting corporation branch office and every simulcasting facility  
47 licensed in accordance with section one thousand seven (that has entered  
48 into a written agreement with such facility's representative horsemen's  
49 organization as approved by the commission), one thousand eight or one  
50 thousand nine of this article shall be authorized to accept wagers and  
51 display the live simulcast signal from thoroughbred tracks located in  
52 another state, provided that such facility shall accept wagers on races  
53 run at all in-state thoroughbred tracks which are conducting racing  
54 programs subject to the following provisions; provided, however, no such  
55 written agreement shall be required of a franchised corporation licensed  
56 in accordance with section one thousand seven of this article.



1 § 7. Section 32 of chapter 281 of the laws of 1994, amending the  
2 racing, pari-mutuel wagering and breeding law and other laws relating to  
3 simulcasting, as amended by section 7 of part Z of chapter 59 of the  
4 laws of 2020, is amended to read as follows:

5 § 32. This act shall take effect immediately and the pari-mutuel tax  
6 reductions in section six of this act shall expire and be deemed  
7 repealed on July 1, [~~2021~~] 2022; provided, however, that nothing  
8 contained herein shall be deemed to affect the application, qualifica-  
9 tion, expiration, or repeal of any provision of law amended by any  
10 section of this act, and such provisions shall be applied or qualified  
11 or shall expire or be deemed repealed in the same manner, to the same  
12 extent and on the same date as the case may be as otherwise provided by  
13 law; provided further, however, that sections twenty-three and twenty-  
14 five of this act shall remain in full force and effect only until May 1,  
15 1997 and at such time shall be deemed to be repealed.

16 § 8. Section 54 of chapter 346 of the laws of 1990, amending the  
17 racing, pari-mutuel wagering and breeding law and other laws relating to  
18 simulcasting and the imposition of certain taxes, as amended by section  
19 8 of part Z of chapter 59 of the laws of 2020, is amended to read as  
20 follows:

21 § 54. This act shall take effect immediately; provided, however,  
22 sections three through twelve of this act shall take effect on January  
23 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-  
24 ing law, as added by section thirty-eight of this act, shall expire and  
25 be deemed repealed on July 1, [~~2021~~] 2022; and section eighteen of this  
26 act shall take effect on July 1, 2008 and sections fifty-one and fifty-  
27 two of this act shall take effect as of the same date as chapter 772 of  
28 the laws of 1989 took effect.

29 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,  
30 pari-mutuel wagering and breeding law, as separately amended by section  
31 9 of part Z of chapter 59 and chapter 243 of the laws of 2020, is  
32 amended to read as follows:

33 (a) The franchised corporation authorized under this chapter to  
34 conduct pari-mutuel betting at a race meeting or races run thereat shall  
35 distribute all sums deposited in any pari-mutuel pool to the holders of  
36 winning tickets therein, provided such tickets are presented for payment  
37 before April first of the year following the year of their purchase,  
38 less an amount that shall be established and retained by such franchised  
39 corporation of between twelve to seventeen percent of the total deposits  
40 in pools resulting from on-track regular bets, and fourteen to twenty-  
41 one percent of the total deposits in pools resulting from on-track  
42 multiple bets and fifteen to twenty-five percent of the total deposits  
43 in pools resulting from on-track exotic bets and fifteen to thirty-six  
44 percent of the total deposits in pools resulting from on-track super  
45 exotic bets, plus the breaks. The retention rate to be established is  
46 subject to the prior approval of the commission.

47 Such rate may not be changed more than once per calendar quarter to be  
48 effective on the first day of the calendar quarter. "Exotic bets" and  
49 "multiple bets" shall have the meanings set forth in section five  
50 hundred nineteen of this chapter. "Super exotic bets" shall have the  
51 meaning set forth in section three hundred one of this chapter. For  
52 purposes of this section, a "pick six bet" shall mean a single bet or  
53 wager on the outcomes of six races. The breaks are hereby defined as the  
54 odd cents over any multiple of five for payoffs greater than one dollar  
55 five cents but less than five dollars, over any multiple of ten for  
56 payoffs greater than five dollars but less than twenty-five dollars,

1 over any multiple of twenty-five for payoffs greater than twenty-five  
2 dollars but less than two hundred fifty dollars, or over any multiple of  
3 fifty for payoffs over two hundred fifty dollars. Out of the amount so  
4 retained there shall be paid by such franchised corporation to the  
5 commissioner of taxation and finance, as a reasonable tax by the state  
6 for the privilege of conducting pari-mutuel betting on the races run at  
7 the race meetings held by such franchised corporation, the following  
8 percentages of the total pool for regular and multiple bets five percent  
9 of regular bets and four percent of multiple bets plus twenty percent of  
10 the breaks; for exotic wagers seven and one-half percent plus twenty  
11 percent of the breaks, and for super exotic bets seven and one-half  
12 percent plus fifty percent of the breaks.

13 For the period April first, two thousand one through December thirty-  
14 first, two thousand [~~twenty-one~~] twenty-two, such tax on all wagers  
15 shall be one and six-tenths percent, plus, in each such period, twenty  
16 percent of the breaks. Payment to the New York state thoroughbred breed-  
17 ing and development fund by such franchised corporation shall be one-  
18 half of one percent of total daily on-track pari-mutuel pools resulting  
19 from regular, multiple and exotic bets and three percent of super exotic  
20 bets and for the period April first, two thousand one through December  
21 thirty-first, two thousand [~~twenty-one~~] twenty-two, such payment shall  
22 be seven-tenths of one percent of regular, multiple and exotic pools.

23 § 10. This act shall take effect immediately.

24

#### PART EE

25 Section 1. Section 19 of part W-1 of chapter 109 of the laws of 2006  
26 amending the tax law and other laws relating to providing exemptions,  
27 reimbursements and credits from various taxes for certain alternative  
28 fuels, as amended by section 1 of part U of chapter 60 of the laws of  
29 2016, is amended to read as follows:

30 § 19. This act shall take effect immediately; provided, however, that  
31 sections one through thirteen of this act shall take effect September 1,  
32 2006 and shall be deemed repealed on September 1, [~~2021~~] 2026 and such  
33 repeal shall apply in accordance with the applicable transitional  
34 provisions of sections 1106 and 1217 of the tax law, and shall apply to  
35 sales made, fuel compounded or manufactured, and uses occurring on or  
36 after such date, and with respect to sections seven through eleven of  
37 this act, in accordance with applicable transitional provisions of  
38 sections 1106 and 1217 of the tax law; provided, however, that the  
39 commissioner of taxation and finance shall be authorized on and after  
40 the date this act shall have become a law to adopt and amend any rules  
41 or regulations and to take any steps necessary to implement the  
42 provisions of this act; provided further that sections fourteen through  
43 sixteen of this act shall take effect immediately and shall apply to  
44 taxable years beginning on or after January 1, 2006.

45 § 2. This act shall take effect immediately.

46

#### PART FF

47 Section 1. Subsection (e) of section 42 of the tax law, as added by  
48 section 1 of part RR of chapter 60 of the laws of 2016, is amended to  
49 read as follows:

50 (e) For taxable years beginning on or after January first, two thou-  
51 sand seventeen and before January first, two thousand eighteen, the  
52 amount of the credit allowed under this section shall be equal to the

1 product of the total number of eligible farm employees and two hundred  
2 fifty dollars. For taxable years beginning on or after January first,  
3 two thousand eighteen and before January first, two thousand nineteen,  
4 the amount of the credit allowed under this section shall be equal to  
5 the product of the total number of eligible farm employees and three  
6 hundred dollars. For taxable years beginning on or after January first,  
7 two thousand nineteen and before January first, two thousand twenty, the  
8 amount of the credit allowed under this section shall be equal to the  
9 product of the total number of eligible farm employees and five hundred  
10 dollars. For taxable years beginning on or after January first, two  
11 thousand twenty and before January first, two thousand twenty-one, the  
12 amount of the credit allowed under this section shall be equal to the  
13 product of the total number of eligible farm employees and four hundred  
14 dollars. For taxable years beginning on or after January first, two  
15 thousand twenty-one and before January first, two thousand [~~twenty-two~~  
16 twenty-five], the amount of the credit allowed under this section shall  
17 be equal to the product of the total number of eligible farm employees  
18 and six hundred dollars.

19 § 2. Section 5 of part RR of chapter 60 of the laws of 2016 amending  
20 the tax law relating to creating a farm workforce retention credit is  
21 amended to read as follows:

22 § 5. This act shall take effect immediately and shall apply only to  
23 taxable years beginning on or after January 1, 2017 and before January  
24 1, [~~2022~~] 2025.

25 § 3. This act shall take effect immediately.

26

## PART GG

27 Section 1. Subdivision 4 of section 22 of the public housing law, as  
28 amended by section 5 of part H of chapter 60 of the laws of 2016, is  
29 amended to read as follows:

30 4. Statewide limitation. The aggregate dollar amount of credit which  
31 the commissioner may allocate to eligible low-income buildings under  
32 this article shall be one hundred [~~four~~] twelve million dollars. The  
33 limitation provided by this subdivision applies only to allocation of  
34 the aggregate dollar amount of credit by the commissioner, and does not  
35 apply to allowance to a taxpayer of the credit with respect to an eligi-  
36 ble low-income building for each year of the credit period.

37 § 2. Subdivision 4 of section 22 of the public housing law, as amended  
38 by section one of this act, is amended to read as follows:

39 4. Statewide limitation. The aggregate dollar amount of credit which  
40 the commissioner may allocate to eligible low-income buildings under  
41 this article shall be one hundred [~~twelve~~] twenty million dollars. The  
42 limitation provided by this subdivision applies only to allocation of  
43 the aggregate dollar amount of credit by the commissioner, and does not  
44 apply to allowance to a taxpayer of the credit with respect to an eligi-  
45 ble low-income building for each year of the credit period.

46 § 3. Subdivision 4 of section 22 of the public housing law, as amended  
47 by section two of this act, is amended to read as follows:

48 4. Statewide limitation. The aggregate dollar amount of credit which  
49 the commissioner may allocate to eligible low-income buildings under  
50 this article shall be one hundred [~~twenty~~] twenty-eight million dollars.  
51 The limitation provided by this subdivision applies only to allocation  
52 of the aggregate dollar amount of credit by the commissioner, and does  
53 not apply to allowance to a taxpayer of the credit with respect to an  
54 eligible low-income building for each year of the credit period.

1 § 4. Subdivision 4 of section 22 of the public housing law, as amended  
2 by section three of this act, is amended to read as follows:

3 4. Statewide limitation. The aggregate dollar amount of credit which  
4 the commissioner may allocate to eligible low-income buildings under  
5 this article shall be one hundred [~~twenty-eight~~] thirty-six million  
6 dollars. The limitation provided by this subdivision applies only to  
7 allocation of the aggregate dollar amount of credit by the commissioner,  
8 and does not apply to allowance to a taxpayer of the credit with respect  
9 to an eligible low-income building for each year of the credit period.

10 § 5. Subdivision 4 of section 22 of the public housing law, as amended  
11 by section four of this act, is amended to read as follows:

12 4. Statewide limitation. The aggregate dollar amount of credit which  
13 the commissioner may allocate to eligible low-income buildings under  
14 this article shall be one hundred [~~thirty-six~~] forty-four million  
15 dollars. The limitation provided by this subdivision applies only to  
16 allocation of the aggregate dollar amount of credit by the commissioner,  
17 and does not apply to allowance to a taxpayer of the credit with respect  
18 to an eligible low-income building for each year of the credit period.

19 § 6. This act shall take effect immediately; provided, however,  
20 section two of this act shall take effect April 1, 2022; section three  
21 of this act shall take effect April 1, 2023; section four of this act  
22 shall take effect April 1, 2024; and section five of this act shall take  
23 effect April 1, 2025.

24

## PART HH

25 Section 1. Section 5 of part HH of chapter 59 of the laws of 2014,  
26 amending the tax law relating to a musical and theatrical production  
27 credit, as amended by section 1 of part III of chapter 59 of the laws of  
28 2018, is amended to read as follows:

29 § 5. This act shall take effect immediately, provided that section two  
30 of this act shall take effect on January 1, 2015, and shall apply to  
31 taxable years beginning on or after January 1, 2015, with respect to  
32 "qualified production expenditures" and "transportation expenditures"  
33 paid or incurred on or after such effective date, regardless of whether  
34 the production of the qualified musical or theatrical production  
35 commenced before such date, provided further that this act shall expire  
36 and be deemed repealed [~~8 years after such date~~] January 1, 2026.

37 § 2. Paragraph 1 of subdivision (e) of section 24-a of the tax law, as  
38 added by section 1 of part HH of chapter 59 of the laws of 2014, is  
39 amended to read as follows:

40 (1) The aggregate amount of tax credits allowed under this section,  
41 subdivision forty-seven of section two hundred ten-B and subsection (u)  
42 of section six hundred six of this chapter in any calendar year shall be  
43 [~~four~~] eight million dollars. Such aggregate amount of credits shall be  
44 allocated by the department of economic development among taxpayers in  
45 order of priority based upon the date of filing an application for allo-  
46 cation of musical and theatrical production credit with such department.  
47 If the total amount of allocated credits applied for in any particular  
48 year exceeds the aggregate amount of tax credits allowed for such year  
49 under this section, such excess shall be treated as having been applied  
50 for on the first day of the subsequent year.

51 § 3. This act shall take effect immediately, provided, however, that  
52 the amendments to section 24-a of the tax law made by section two of  
53 this act shall not affect the expiration and repeal of such section and  
54 shall be deemed to expire and repeal therewith.

1

## PART II

2 Section 1. Paragraph (a) and subparagraph 2 of paragraph (b) of subdi-  
3 vision 29 of section 210-B of the tax law, as amended by section 1 of  
4 part B of chapter 59 of the laws of 2020, are amended to read as  
5 follows:

6 (a) Allowance of credit. For taxable years beginning on or after Janu-  
7 ary first, two thousand fifteen and before January first, two thousand  
8 [~~twenty-two~~] twenty-three, a taxpayer shall be allowed a credit, to be  
9 computed as provided in this subdivision, against the tax imposed by  
10 this article, for hiring and employing, for not less than one year and  
11 for not less than thirty-five hours each week, a qualified veteran with-  
12 in the state. The taxpayer may claim the credit in the year in which  
13 the qualified veteran completes one year of employment by the taxpayer.  
14 If the taxpayer claims the credit allowed under this subdivision, the  
15 taxpayer may not use the hiring of a qualified veteran that is the basis  
16 for this credit in the basis of any other credit allowed under this  
17 article.

18 (2) who commences employment by the qualified taxpayer on or after  
19 January first, two thousand fourteen, and before January first, two  
20 thousand [~~twenty-one~~] twenty-two; and

21 § 2. Subdivision 29 of section 210-B of the tax law is amended by  
22 adding a new paragraph (f) to read as follows:

23 (f) Reporting Requirement. The department shall issue an annual report  
24 on the utilization of this credit. Such report shall include the number  
25 of taxpayers that claimed the credit, the number of veterans and disa-  
26 bled veterans for whom a credit was claimed, and information on the wage  
27 rate of such veterans and disabled veterans. The report shall also  
28 include information on steps taken by the department to inform employers  
29 of the existence of this credit and of any other actions taken to  
30 increase awareness of the availability of this credit. The department  
31 shall issue the first report on October first, two thousand twenty-one  
32 using the most recent applicable tax data. The department shall issue  
33 reports for subsequent tax years annually on October first. The report  
34 shall be posted publicly on the department's website and copies shall be  
35 delivered to the governor, the speaker of the assembly, and the tempo-  
36 rary president of the senate.

37 § 3. Paragraph 1 and subparagraph (B) of paragraph 2 of subsection  
38 (a-2) of section 606 of the tax law, as amended by section 2 of part B  
39 of chapter 59 of the laws of 2020, are amended to read as follows:

40 (1) Allowance of credit. For taxable years beginning on or after Janu-  
41 ary first, two thousand fifteen and before January first, two thousand  
42 [~~twenty-two~~] twenty-three, a taxpayer shall be allowed a credit, to be  
43 computed as provided in this subsection, against the tax imposed by this  
44 article, for hiring and employing, for not less than one year and for  
45 not less than thirty-five hours each week, a qualified veteran within  
46 the state. The taxpayer may claim the credit in the year in which the  
47 qualified veteran completes one year of employment by the taxpayer. If  
48 the taxpayer claims the credit allowed under this subsection, the  
49 taxpayer may not use the hiring of a qualified veteran that is the basis  
50 for this credit in the basis of any other credit allowed under this  
51 article.

52 (B) who commences employment by the qualified taxpayer on or after  
53 January first, two thousand fourteen, and before January first, two  
54 thousand [~~twenty-one~~] twenty-two; and

1 § 4. Paragraph 4 of subsection (a-2) of section 606 of the tax law, as  
2 added by section 3 of part AA of chapter 59 of the laws of 2013, is  
3 amended and a new paragraph 6 is added to read as follows:

4 (4) Amount of credit. The amount of the credit shall be ten percent of  
5 the total amount of wages paid to ~~[he]~~ the qualified veteran during the  
6 veteran's first full year of employment. Provided, however, that, if the  
7 qualified veteran is a disabled veteran, as defined in paragraph (b) of  
8 subdivision one of section eighty-five of the civil service law, the  
9 amount of the credit shall be fifteen percent of the total amount of  
10 wages paid to the qualified veteran during the veteran's first full year  
11 of employment. The credit allowed pursuant to this subsection shall not  
12 exceed in any taxable year, five thousand dollars for any qualified  
13 veteran and fifteen thousand dollars for any qualified veteran who is a  
14 disabled veteran.

15 (6) Reporting Requirement. The department shall issue an annual report  
16 on the utilization of this credit. Such report shall include the number  
17 of taxpayers that claimed the credit, the number of veterans and disa-  
18 bled veterans for whom a credit was claimed, and information on the wage  
19 rate of such veterans and disabled veterans. The report shall also  
20 include information on steps taken by the department to inform employers  
21 of the existence of this credit and of any other actions taken to  
22 increase awareness of the availability of this credit. The department  
23 shall issue the first report on October first, two thousand twenty-one  
24 using the most recent applicable tax data. The department shall issue  
25 reports for subsequent tax years annually on October first. The report  
26 shall be posted publicly on the department's website and copies shall be  
27 delivered to the governor, the speaker of the assembly, and the tempo-  
28 rary president of the senate.

29 § 5. Paragraph 1 and subparagraph (B) of paragraph 2 of subdivision  
30 (g-1) of section 1511 of the tax law, as amended by section 3 of part B  
31 of chapter 59 of the laws of 2020, are amended to read as follows:

32 (1) Allowance of credit. For taxable years beginning on or after Janu-  
33 ary first, two thousand fifteen and before January first, two thousand  
34 ~~[twenty-two]~~ twenty-three, a taxpayer shall be allowed a credit, to be  
35 computed as provided in this subdivision, against the tax imposed by  
36 this article, for hiring and employing, for not less than one year and  
37 for not less than thirty-five hours each week, a qualified veteran with-  
38 in the state. The taxpayer may claim the credit in the year in which  
39 the qualified veteran completes one year of employment by the taxpayer.  
40 If the taxpayer claims the credit allowed under this subdivision, the  
41 taxpayer may not use the hiring of a qualified veteran that is the basis  
42 for this credit in the basis of any other credit allowed under this  
43 article.

44 (B) who commences employment by the qualified taxpayer on or after  
45 January first, two thousand fourteen, and before January first, two  
46 thousand ~~[twenty-one]~~ twenty-two; and

47 § 6. Subdivision (g-1) of section 1511 of the tax law is amended by  
48 adding a new paragraph 6 to read as follows:

49 (6) Reporting Requirement. The department shall issue an annual report  
50 on the utilization of this credit. Such report shall include the number  
51 of taxpayers that claimed the credit, the number of veterans and disa-  
52 bled veterans for whom a credit was claimed, and information on the wage  
53 rate of such veterans and disabled veterans. The report shall also  
54 include information on steps taken by the department to inform employers  
55 of the existence of this credit and of any other actions taken to  
56 increase awareness of the availability of this credit. The department

1 shall issue the first report on October first, two thousand twenty-one  
2 using the most recent applicable tax data. The department shall issue  
3 reports for subsequent tax years annually on October first. The report  
4 shall be posted publicly on the department's website and copies shall be  
5 delivered to the governor, the speaker of the assembly, and the tempo-  
6 rary president of the senate.

7 § 7. This act shall take effect immediately.

8 PART JJ

9 Section 1. Section 12 of part V of chapter 61 of the laws of 2011,  
10 amending the economic development law, the tax law and the real property  
11 tax law, relating to establishing the economic transformation and facil-  
12 ity redevelopment program and providing tax benefits under that program,  
13 is amended to read as follows:

14 § 12. This act shall take effect immediately and shall expire and be  
15 deemed repealed December 31, [~~2021~~] 2026.

16 § 2. Paragraph (a) of subdivision 11 of section 400 of the economic  
17 development law, as amended by section 1 of part GG of chapter 58 of the  
18 laws of 2020, is amended to read as follows:

19 (a) a correctional facility, as defined in paragraph (a) of subdivi-  
20 sion four of section two of the correction law, that has been selected  
21 by the governor of the state of New York for closure after April first,  
22 two thousand eleven but no later than March thirty-first, two thousand  
23 [~~twenty-one~~] twenty-six; or

24 § 3. This act shall take effect immediately; provided, however, that  
25 the amendments to section 400 of the economic development law made by  
26 section two of this act shall not affect the repeal of such section and  
27 shall be deemed repealed therewith.

28 PART KK

29 Section 1. The opening paragraph of section 1310 of the general busi-  
30 ness law, as added by section 2 of part X of chapter 55 of the laws of  
31 2018, is amended to read as follows:

32 Except as otherwise provided in this article, the program shall be  
33 implemented, and enrollment of employees shall begin[~~, within twenty~~  
34 ~~four months after the effective date of this article~~] no later than  
35 December thirty-first, two thousand twenty-one. The provisions of this  
36 section shall be in force after the board opens the program for enroll-  
37 ment.

38 § 2. Section 1315 of the general business law, as added by section 2  
39 of part X of chapter 55 of the laws of 2018, is amended to read as  
40 follows:

41 § 1315. Delayed implementation. The board may delay the implementation  
42 of the program an additional twelve months beyond the [~~twenty-four~~  
43 ~~months~~] date established in section thirteen hundred ten of this article  
44 if the board determines that further delay is necessary to address  
45 legal, financial or other programmatic concerns impacting the viability  
46 of the program. The board shall provide reasonable notice of such delay  
47 to the governor, the commissioner, the speaker of the assembly, the  
48 temporary president of the senate, the chair of the assembly ways and  
49 means committee, the chair of the senate finance committee, the chair of  
50 the assembly labor committee, and the chair of the senate labor commit-  
51 tee.

52 § 3. This act shall take effect immediately.

1

## PART LL

2 Section 1. For the period from and after March 1, 2020 until such time  
 3 as the licensee and the video lottery gaming facility that are each  
 4 subject to subdivision 2 of section 1355 of the racing, pari-mutuel  
 5 wagering and breeding law, as added by the Upstate New York Gaming  
 6 Economic Development Act of 2013, as amended, have each been continuous-  
 7 ly operating without any restrictions related to Covid-19 for at least  
 8 three full and consecutive calendar months, the payments to the relevant  
 9 horsemen and breeders required by subdivision 2 of section 1355 of the  
 10 racing, pari-mutuel wagering and breeding law, as added by the Upstate  
 11 New York Gaming Economic Development Act of 2013, as amended, shall not  
 12 accrue and shall be permanently waived and forgiven. The accrual and  
 13 obligation to make payments under such subdivision 2 of such section  
 14 1355 shall recommence at such time as the licensee and the video lottery  
 15 gaming facility that are each subject to such subdivision 2 of such  
 16 section 1355 have each been continuously operating without any  
 17 restrictions related to Covid-19 for at least three full and consecutive  
 18 calendar months. Payments to the relevant horsemen and breeders for the  
 19 period beginning January 1, 2020 through February 28, 2020 shall be  
 20 payable in six equal monthly installments of \$106,407 per month over a  
 21 six-month period beginning with the first month after the licensee has  
 22 been continuously operating without any restrictions related to Covid-19  
 23 for at least three full and consecutive calendar months.

24 § 2. This act shall take effect immediately.

25

## PART MM

26 Section 1. Subdivision 14 of section 1300 of the racing, pari-mutuel  
 27 wagering and breeding law, as added by chapter 174 of the laws of 2013  
 28 and as renumbered by chapter 175 of the laws of 2013, is amended and a  
 29 new subdivision 15 is added to read as follows:

30 14. As thoroughly and pervasively regulated by the state, four upstate  
 31 casinos will work to the betterment of all New York[+];

32 15. Pursuant to article one, section nine of the New York State  
 33 Constitution, the legislature is permitted to authorize up to seven  
 34 commercial casinos within the state. As of the year two thousand twen-  
 35 ty-one, four have been authorized in upstate New York, leaving the down-  
 36 state market unaddressed. Neighboring states have authorized forms of  
 37 gaming that are siphoning New York state dollars and travel industry-  
 38 derived revenue to other out-of-state markets. Simultaneously, as a  
 39 result of the COVID-19 emergency, state and local revenues have been  
 40 devastated. This is particularly alarming given the potential effect on  
 41 the state's education funding. The legislature recognizes that downstate  
 42 gaming resorts have the potential to significantly boost revenues for  
 43 education support, create thousands of quality jobs, and support the  
 44 local economy downstate. As such, the legislature hereby authorizes an  
 45 additional three casino licenses downstate to increase support for  
 46 education across the state.

47 § 2. Subparagraph 2 of paragraph (a) of subdivision 2 of section 1310  
 48 of the racing, pari-mutuel wagering and breeding law, as added by chap-  
 49 ter 174 of the laws of 2013, is amended to read as follows:

50 (2) Region two shall consist of Bronx, Kings, New York, Queens and  
 51 Richmond counties[~~-. No gaming facility shall be authorized in region~~  
 52 ~~two~~]; and



1 § 3. Subdivision 1 of section 1311 of the racing, pari-mutuel wagering  
2 and breeding law, as amended by chapter 175 of the laws of 2013, is  
3 amended to read as follows:

4 1. (a) The commission is authorized to award up to four gaming facili-  
5 ty licenses, in regions one, two and five of zone two, and three addi-  
6 tional gaming facility licenses in zone one. The duration of such  
7 initial license shall be ten years. The term of renewal shall be deter-  
8 mined by the commission. The commission may award a second license to a  
9 qualified applicant in no more than a single region. [~~The commission is  
10 not empowered to award any license in zone one. No gaming facilities are  
11 authorized under this article for the city of New York or any other  
12 portion of zone one.~~]

13 (b) As a condition of licensure, licensees are required to commence  
14 gaming operations no more than twenty-four months following license  
15 award. No additional licenses may be awarded during the twenty-four  
16 month period, nor for an additional sixty months following the end of  
17 the twenty-four month period. Should the state legislatively authorize  
18 additional gaming facility licenses within these periods, licensees  
19 shall have the right to recover the license fee paid pursuant to section  
20 one thousand three hundred six of this article.

21 (c) This right shall be incorporated into the license itself, vest  
22 upon the opening of a gaming facility in zone one or in the same region  
23 as the licensee and entitle the holder of such license to bring an  
24 action in the court of claims to recover the license fee paid pursuant  
25 to section one thousand three hundred fifteen of this article in the  
26 event that any gaming facility license in excess of the number author-  
27 ized by this section as of the effective date of this section is awarded  
28 within seven years from the date that the initial gaming facility  
29 license is awarded. This right to recover any such fee shall be propor-  
30 tionate to the length of the respective period that is still remaining  
31 upon the vesting of such right.

32 (d) Additionally, the right to bring an action in the court of claims  
33 to recover the fee paid to the state on the twenty-fourth day of Septem-  
34 ber, two thousand ten, by the operator of a video lottery gaming facili-  
35 ty in a city of more than one million shall vest with such operator upon  
36 the opening of any gaming facility licensed by the commission in zone  
37 one within seven years from the date that the initial gaming facility  
38 license is awarded; provided however that the amount recoverable shall  
39 be limited to the pro rata amount of the time remaining until the end of  
40 the seven year exclusivity period, proportionate to the period of time  
41 between the date of opening of the video lottery facility until the  
42 conclusion of the seven year period.

43 (e) Notwithstanding any law, rule or regulation to the contrary, for  
44 any video lottery gaming facility authorized by paragraph four of subdivi-  
45 vision a of section sixteen hundred seventeen-a of the tax law that  
46 converts to a gaming facility, nothing in this section shall be  
47 construed to affect the hosting agreement between the corporation estab-  
48 lished pursuant to section five hundred two of this chapter in the  
49 Nassau region and the entity converted to a gaming facility; and pursu-  
50 ant to the agreement, such video lottery devices shall be deemed to be  
51 hosted for the corporation by such entity.

52 § 4. Section 1318 of the racing, pari-mutuel wagering and breeding law  
53 is amended by adding a new subdivision 2 to read as follows:

54 2. The commission may revoke a license of any entity that held a  
55 license to operate video lottery terminals pursuant to section sixteen  
56 hundred seventeen-a of the tax law, which was then converted to a gaming

1 facility license if the commission determines the facility is disquali-  
2 fied on the basis of any of the criteria enumerated in subdivision one  
3 of this section, subject to notice and an opportunity for hearing.

4 § 5. Section 1351 of the racing, pari-mutuel wagering and breeding law  
5 is amended by adding two new subdivisions 3 and 4 to read as follows:

6 3. For a gaming facility in zone one, there is hereby imposed a tax  
7 on gross gaming revenues for gaming facilities. The amount of such tax  
8 imposed in zone one shall be as follows; provided, however, should a  
9 licensee have agreed within its application to supplement the tax with a  
10 binding supplemental fee payment exceeding the aforementioned tax rate,  
11 such tax and supplemental fee shall apply for a gaming facility: the  
12 amount of such tax imposed in zone one shall be forty-five percent of  
13 gross gaming revenue from slot machines and ten percent of gross gaming  
14 revenue from all other sources.

15 4. Permissible deductions for gaming facilities in zone one. (a) A  
16 gaming facility located in zone one may deduct from gross gaming revenue  
17 the amount of approved promotional gaming credits issued to and wagered  
18 by patrons of such gaming facility. The amount of approved promotional  
19 credits shall be calculated as follows:

20 (1) for the period commencing on April first, two thousand twenty-two  
21 and ending on March thirty-first, two thousand twenty-five, an aggregate  
22 maximum amount equal to nineteen percent of the base taxable gross  
23 gaming revenue amount during the specified period;

24 (2) for the period commencing on April first, two thousand twenty-five  
25 and ending on March thirty-first, two thousand twenty-seven, a maximum  
26 amount equal to nineteen percent of the base taxable gross gaming reven-  
27 ue amount for each fiscal year during the specified period; and

28 (3) for the period commencing on April first, two thousand twenty-sev-  
29 en and thereafter, a maximum amount equal to fifteen percent of the base  
30 taxable gross gaming revenue amount for each fiscal year during the  
31 specified period.

32 (b) For purposes of paragraph (a) of this subdivision, "base taxable  
33 gross gaming revenue amount" means that portion of gross gaming revenue  
34 not attributable to deductible promotional credit.

35 (c) Any tax due on promotional credits deducted during the fiscal year  
36 in excess of the allowable deduction shall be paid within thirty days  
37 from the end of the fiscal year.

38 (d) Only promotional credits that are issued pursuant to a written  
39 plan approved by the commission as designed to increase revenue at the  
40 facility may be eligible for such deduction. The commission, in conjunc-  
41 tion with the director of the budget, may suspend approval of any plan  
42 whenever they jointly determine that the use of the promotional credits  
43 under such plan is not effective in increasing the amount of revenue  
44 earned.

45 § 6. The opening paragraph of subdivision 1 of section 1312 of the  
46 racing, pari-mutuel wagering and breeding law, as added by chapter 174  
47 of the laws of 2013, is amended to read as follows:

48 The board shall issue within ninety days of a majority of members  
49 being appointed a request for applications for a gaming facility license  
50 in regions one, two and five in zone two[ ~~, provided, however, that the~~  
51 ~~board shall not issue any requests for applications for any region in~~  
52 ~~zone one, and further provided that the board shall not issue any~~  
53 ~~requests for applications with respect to any gaming facility subse-~~  
54 ~~quently legislatively authorized until seven years following the~~  
55 ~~commencement of gaming activities in zone two] and, on or before July  
56 first, two thousand twenty-one, the board shall issue a request for~~

1 applications for three additional gaming facility licenses in zone one;  
2 and provided further that the board shall make a determination regarding  
3 an application no later than one hundred fifty days from receiving the  
4 application. All requests for applications shall include:

5 § 7. The opening paragraph of section 1348 of the racing, pari-mutuel  
6 wagering and breeding law, as added by chapter 174 of the laws of 2013,  
7 is amended to read as follows:

8 In addition to any other tax or fee imposed by this article, there  
9 shall be imposed an annual license fee of five hundred dollars for each  
10 slot machine and table approved by the commission for use by a gaming  
11 licensee at a gaming facility; and beginning in the year two thousand  
12 twenty-two, there shall be imposed an annual license fee of seven  
13 hundred fifty dollars for each slot machine and table game approved by  
14 the commission for use by a gaming licensee at a gaming facility located  
15 in zone one, originally awarded a license after July first, two thousand  
16 twenty-one, and provided, however, that not sooner than five years after  
17 award of an original gaming license, the commission may annually adjust  
18 the fee for inflation. The fee shall be imposed as of July first of each  
19 year for all approved slot machines and tables on that date and shall be  
20 assessed on a pro rata basis for any slot machine or table approved for  
21 use thereafter.

22 § 8. Subdivisions 3 and 4 of section 1315 of the racing, pari-mutuel  
23 wagering and breeding law, as added by chapter 174 of the laws of 2013,  
24 are amended to read as follows:

25 3. A licensee who fails to begin gaming operations within twenty-four  
26 months following license award shall be subject to suspension or revoca-  
27 tion of the gaming license by the commission and may, after being found  
28 by the commission after notice and opportunity for a hearing to have  
29 acted in bad faith in its application, be assessed a fine of up to  
30 [~~fifty~~] one hundred million dollars.

31 4. The board shall determine a licensing fee of no less than five  
32 hundred million dollars to be paid by a licensee within thirty days  
33 after the award of the license which shall be deposited into the commer-  
34 cial gaming revenue fund. The license shall set forth the conditions to  
35 be satisfied by the licensee before the gaming facility shall be opened  
36 to the public. The commission shall set any renewal fee for such license  
37 based on the cost of fees associated with the evaluation of a licensee  
38 under this article which shall be deposited into the commercial gaming  
39 fund. Such renewal fee shall be exclusive of any subsequent licensing  
40 fees under this section.

41 § 9. The opening paragraph and subdivisions 1, 2 and 4 of section 1306  
42 of the racing, pari-mutuel wagering and breeding law, the opening para-  
43 graph as amended by chapter 243 of the laws of 2020 and subdivisions 1,  
44 2 and 4 as added by chapter 174 of the laws of 2013, are amended to read  
45 as follows:

46 The New York state gaming facility location board shall select,  
47 following a competitive process and subject to the restrictions of this  
48 article, no more than [~~four~~] seven entities to apply to the commission  
49 for gaming facility licenses. In exercising its authority, the board  
50 shall have all powers necessary or convenient to fully carry out and  
51 effectuate its purposes including, but not limited to, the following  
52 powers. The board shall:

53 1. issue a request for applications for zone one and zone two gaming  
54 facility licenses pursuant to section one thousand three hundred twelve  
55 of this article;

1 2. assist the commission in prescribing the form of the application  
2 for zone one and zone two gaming facility licenses including information  
3 to be furnished by an applicant concerning an applicant's antecedents,  
4 habits, character, associates, criminal record, business activities and  
5 financial affairs, past or present pursuant to section one thousand  
6 three hundred thirteen of this article;

7 4. determine a gaming facility license fee of no less than five  
8 hundred million dollars to be paid by an applicant;

9 § 10. Subdivision 6 of section 109-a of the racing, pari-mutuel wager-  
10 ing and breeding law, as added by chapter 174 of the laws of 2013, is  
11 amended and a new subdivision 7 is added to read as follows:

12 6. Utilizing the powers and duties prescribed for it by article thir-  
13 teen of this chapter, the board shall select, through a competitive  
14 process consistent with provisions of article thirteen of this chapter,  
15 not more than [~~four~~] seven gaming facility license applicants. Such  
16 selectees shall be authorized to receive a gaming facility license, if  
17 found suitable by the commission. The board may select another applicant  
18 for authorization to be licensed as a gaming facility if a previous  
19 selectee fails to meet licensing thresholds, is revoked or surrenders a  
20 license opportunity.

21 7. The board shall convene on or before July first, two thousand twen-  
22 ty-one to issue requests for applications for three additional gaming  
23 facility licenses in zone one, as specified by section thirteen hundred  
24 ten of this chapter; and provided further that the board shall make a  
25 determination regarding an application no later than one hundred fifty  
26 days from receiving the application.

27 § 11. Section 1320 of the racing, pari-mutuel wagering and breeding  
28 law, as added by chapter 174 of the laws of 2013, is amended to read as  
29 follows:

30 § 1320. Siting evaluation. In determining whether an applicant shall  
31 be eligible for a gaming facility license, the board shall evaluate and  
32 issue a finding of how each applicant proposes to advance the following  
33 objectives.

34 1. The decision by the board to select a gaming facility license  
35 applicant shall be weighted by ten percent based upon a speed to market  
36 factor in which the commission shall award greater consideration to  
37 applicants which can demonstrate an ability to commence gaming oper-  
38 ations more quickly relative to other applicants, in the interest of  
39 making revenue available to the state in an expeditious manner.

40 2. The decision by the board to select a gaming facility license  
41 applicant shall be weighted by [~~seventy~~] sixty percent based on economic  
42 activity and business development factors including:

43 (a) realizing maximum capital investment exclusive of land acquisition  
44 and infrastructure improvements;

45 (b) maximizing revenues received by the state and localities;

46 (c) providing the highest number of quality jobs in the gaming facili-  
47 ty;

48 (d) building a gaming facility of the highest caliber with a variety  
49 of quality amenities to be included as part of the gaming facility;

50 (e) offering the highest and best value to patrons to create a secure  
51 and robust gaming market in the region and the state;

52 (f) providing a market analysis detailing the benefits of the site  
53 location of the gaming facility and the estimated recapture rate of  
54 gaming-related spending by residents travelling to an out-of-state  
55 gaming facility;

1 (g) offering the fastest time to completion of the full gaming facili-  
2 ty;

3 (h) demonstrating the ability to fully finance the gaming facility;  
4 and

5 (i) demonstrating experience in the development and operation of a  
6 quality gaming facility.

7 [~~2-~~] 3. The decision by the board to select a gaming facility license  
8 applicant shall be weighted by twenty percent based on local impact and  
9 siting factors including:

10 (a) mitigating potential impacts on host and nearby municipalities  
11 which might result from the development or operation of the gaming  
12 facility;

13 (b) gaining public support in the host and nearby municipalities which  
14 [~~may~~] shall be demonstrated through the enactment or passage of a local  
15 [~~laws or public comment received by the board or gaming applicant]~~ law  
16 or resolution;

17 (c) operating in partnership with and promoting local hotels, restau-  
18 rants and retail facilities so that patrons experience the full diversi-  
19 fied regional tourism industry; and

20 (d) establishing a fair and reasonable partnership with live enter-  
21 tainment venues that may be impacted by a gaming facility under which  
22 the gaming facility actively supports the mission and the operation of  
23 the impacted entertainment venues.

24 [~~3-~~] 4. The decision by the board to select a gaming facility license  
25 applicant shall be weighted by ten percent based on workforce enhance-  
26 ment factors including:

27 (a) implementing a workforce development plan that utilizes the exist-  
28 ing labor force, including the estimated number of construction jobs a  
29 proposed gaming facility will generate, the development of workforce  
30 training programs that serve the unemployed and methods for accessing  
31 employment at the gaming facility;

32 (b) taking additional measures to address problem gambling including,  
33 but not limited to, training of gaming employees to identify patrons  
34 exhibiting problems with gambling;

35 (c) utilizing sustainable development principles including, but not  
36 limited to:

37 (1) having new and renovation construction certified under the appro-  
38 priate certification category in the Leadership in Energy and Environ-  
39 mental Design Green Building Rating System created by the United States  
40 Green Building Council;

41 (2) efforts to mitigate vehicle trips;

42 (3) efforts to conserve water and manage storm water;

43 (4) demonstrating that electrical and HVAC equipment and appliances  
44 will be Energy Star labeled where available;

45 (5) procuring or generating on-site ten percent of its annual elec-  
46 tricity consumption from renewable sources; and

47 (6) developing an ongoing plan to submeter and monitor all major  
48 sources of energy consumption and undertake regular efforts to maintain  
49 and improve energy efficiency of buildings in their systems;

50 (d) establishing, funding and maintaining human resource hiring and  
51 training practices that promote the development of a skilled and diverse  
52 workforce and access to promotion opportunities through a workforce  
53 training program that:

54 (1) establishes transparent career paths with measurable criteria  
55 within the gaming facility that lead to increased responsibility and

1 higher pay grades that are designed to allow employees to pursue career  
2 advancement and promotion;

3 (2) provides employee access to additional resources, such as tuition  
4 reimbursement or stipend policies, to enable employees to acquire the  
5 education or job training needed to advance career paths based on  
6 increased responsibility and pay grades; and

7 (3) establishes an on-site child day care program;

8 (e) purchasing, whenever possible, domestically manufactured slot  
9 machines for installation in the gaming facility;

10 (f) implementing a workforce development plan that:

11 (1) incorporates an affirmative action program of equal opportunity by  
12 which the applicant guarantees to provide equal employment opportunities  
13 to all employees qualified for licensure in all employment categories,  
14 including persons with disabilities;

15 (2) utilizes the existing labor force in the state;

16 (3) estimates the number of construction jobs a gaming facility will  
17 generate and provides for equal employment opportunities and which  
18 includes specific goals for the utilization of minorities, women and  
19 veterans on those construction jobs;

20 (4) identifies workforce training programs offered by the gaming  
21 facility; and

22 (5) identifies the methods for accessing employment at the gaming  
23 facility; and

24 (g) demonstrating that the applicant has an agreement with organized  
25 labor, including hospitality services, and has the support of organized  
26 labor for its application, which specifies:

27 (1) the number of employees to be employed at the gaming facility,  
28 including detailed information on the pay rate and benefits for employ-  
29 ees and contractors in the gaming facility and all infrastructure  
30 improvements related to the project; and

31 (2) detailed plans for assuring labor harmony during all phases of the  
32 construction, reconstruction, renovation, development and operation of  
33 the gaming facility.

34 § 12. Subdivision 2 of section 1314 of the racing, pari-mutuel wager-  
35 ing and breeding law, as added by chapter 174 of the laws of 2013, is  
36 amended to read as follows:

37 2. As a condition of filing, each potential license applicant [~~must~~]  
38 shall demonstrate to the [~~board's satisfaction~~] board that local support  
39 has been demonstrated through the enactment or passage of a local law or  
40 resolution in support by the municipality where such facility is to be  
41 physically sited.

42 § 13. This act shall take effect immediately.

43 PART NN

44 Section 1. (a) Notwithstanding any provision of law to the contrary,  
45 for the duration of the state disaster emergency pursuant to executive  
46 order 202 of 2020, a taxpayer that has required some or all of its  
47 employees to work remotely as a result of the outbreak of novel corona-  
48 virus, COVID-19, may designate such remote work as having been performed  
49 at the location such work was performed prior to the declaration of such  
50 state disaster emergency for tax benefits that are based on maintaining  
51 a presence within the state or within specific areas of the state,  
52 including but not limited to those provided pursuant to section 39 of  
53 the tax law.

1 (b) Eligible businesses shall be required to certify, that for the  
2 entire period the benefit is claimed, the business continued to operate  
3 within the state.

4 (c) Eligible businesses shall be required to certify, that for the  
5 entire period the benefit is claimed, that any employees eligible for  
6 tax benefits continued working within the state.

7 (d) Under no circumstances, shall a business be eligible for tax bene-  
8 fits based on maintaining a presence within the state or within specific  
9 areas of the state, including but not limited to those provided pursuant  
10 to section 39 of the tax law, if the business moved operations outside  
11 of the state.

12 § 2. The commissioner of taxation and finance shall, in consultation  
13 with the commissioner of economic development, promulgate any rule or  
14 regulation necessary to effectuate this act.

15 § 3. This act shall take effect immediately and shall be deemed to  
16 have been in full force and effect on or after March 7, 2020 and shall  
17 expire and be deemed repealed on December 31, 2022.

18

## PART 00

19 Section 1. The opening paragraph of paragraph (a) of subdivision 1 of  
20 section 210 of the tax law, as amended by section 10 of part T of chap-  
21 ter 59 of the laws of 2015, is amended to read as follows:

22 For taxable years beginning before January first, two thousand  
23 sixteen, the amount prescribed by this paragraph shall be computed at  
24 the rate of seven and one-tenth percent of the taxpayer's business  
25 income base. For taxable years beginning on or after January first, two  
26 thousand sixteen, the amount prescribed by this paragraph shall be six  
27 and one-half percent of the taxpayer's business income base. The taxpay-  
28 er's business income base shall mean the portion of the taxpayer's busi-  
29 ness income apportioned within the state as hereinafter provided. For  
30 taxable years beginning on or after January first, two thousand twenty-  
31 one the amount prescribed by this paragraph shall be computed at the  
32 rate of nine and one-half percent for taxpayers with a business income  
33 base above five million dollars. However, in the case of a small busi-  
34 ness taxpayer, as defined in paragraph (f) of this subdivision, the  
35 amount prescribed by this paragraph shall be computed pursuant to  
36 subparagraph (iv) of this paragraph and in the case of a manufacturer,  
37 as defined in subparagraph (vi) of this paragraph, the amount prescribed  
38 by this paragraph shall be computed pursuant to subparagraph (vi) of  
39 this paragraph, and, in the case of a qualified emerging technology  
40 company, as defined in subparagraph (vii) of this paragraph, the amount  
41 prescribed by this paragraph shall be computed pursuant to subparagraph  
42 (vii) of this paragraph.

43 § 2. Subparagraph 1 of paragraph (b) of subdivision 1 of section 210  
44 of the tax law, as amended by section 18 of part T of chapter 59 of the  
45 laws of 2015, is amended to read as follows:

46 (1) (i) The amount prescribed by this paragraph shall be computed  
47 at .15 percent for each dollar of the taxpayer's total business capital,  
48 or the portion thereof apportioned within the state as hereinafter  
49 provided for taxable years beginning before January first, two thousand  
50 sixteen. However, in the case of a cooperative housing corporation as  
51 defined in the internal revenue code, the applicable rate shall be .04  
52 percent until taxable years beginning on or after January first, two  
53 thousand twenty. The rate of tax for subsequent tax years shall be as  
54 follows: .125 percent for taxable years beginning on or after January

1 first, two thousand sixteen and before January first, two thousand  
2 seventeen; .100 percent for taxable years beginning on or after January  
3 first, two thousand seventeen and before January first, two thousand  
4 eighteen; .075 percent for taxable years beginning on or after January  
5 first, two thousand eighteen and before January first, two thousand  
6 nineteen; .050 percent for taxable years beginning on or after January  
7 first, two thousand nineteen and before January first, two thousand  
8 twenty; .025 percent for taxable years beginning on or after January  
9 first, two thousand twenty and before January first, two thousand twen-  
10 ty-one; and [~~zero~~] .125 percent for years beginning on or after January  
11 first, two thousand twenty-one. The rate of tax for a qualified New York  
12 manufacturer shall be .132 percent for taxable years beginning on or  
13 after January first, two thousand fifteen and before January first, two  
14 thousand sixteen, .106 percent for taxable years beginning on or after  
15 January first, two thousand sixteen and before January first, two thou-  
16 sand seventeen, .085 percent for taxable years beginning on or after  
17 January first, two thousand seventeen and before January first, two  
18 thousand eighteen; .056 percent for taxable years beginning on or after  
19 January first, two thousand eighteen and before January first, two thou-  
20 sand nineteen; .038 percent for taxable years beginning on or after  
21 January first, two thousand nineteen and before January first, two thou-  
22 sand twenty; .019 percent for taxable years beginning on or after Janu-  
23 ary first, two thousand twenty and before January first, two thousand  
24 twenty-one; and zero percent for years beginning on or after January  
25 first, two thousand twenty-one. (ii) In no event shall the amount  
26 prescribed by this paragraph exceed three hundred fifty thousand dollars  
27 for qualified New York manufacturers and for all other taxpayers five  
28 million dollars.

29 § 3. This act shall take effect immediately.

30 PART PP

31 Section 1. The tax law is amended by adding a new section 601-b to  
32 read as follows:

33 § 601-b. Additional tax on income from capital gain. (a) There is  
34 hereby imposed, in addition to the tax imposed under section six hundred  
35 one of this article, an additional tax on a New York resident's income  
36 from capital gain.

37 (b) Income from capital gain shall mean the amount of an individual's  
38 New York taxable income attributable to net short-term capital gain and  
39 net long-term capital gain, as defined under internal revenue code  
40 section 1222(5) and section 1222(7).

41 (c) The additional tax imposed under this section shall be equal to  
42 one percent of an individual's income from capital gain.

43 (d) This section shall not apply to the following persons:

44 (1) In the case of resident married individuals filing joint returns,  
45 if New York taxable income is not more than two million one hundred  
46 fifty-five thousand three hundred fifty dollars.

47 (2) In the case of a resident head of household, an individual whose  
48 New York taxable income is not more than one million six hundred sixteen  
49 thousand four hundred fifty dollars.

50 (3) In the case of resident unmarried individuals, resident married  
51 individuals filing separate returns, and resident estates and trusts, if  
52 New York taxable income is not more than one million seventy-seven thou-  
53 sand five hundred fifty dollars.



1 (e) This section shall be administered, and penalties imposed, in the  
2 same manner as the tax imposed under section six hundred one of this  
3 article.

4 (f) The department may adopt rules and regulations as necessary to  
5 implement the provisions of this section.

6 § 2. This act shall take effect immediately and shall apply to taxable  
7 years beginning on and after January 1, 2021.

8

## PART QQ

9 Section 1. This act shall be known and may be cited as the "opportu-  
10 nity zone tax break elimination act".

11 § 2. Paragraph (a) of subdivision 6 of section 208 of the tax law, as  
12 amended by section 5 of part T of chapter 59 of the laws of 2015, is  
13 amended to read as follows:

14 (a) (i) The term "investment income" means income, including capital  
15 gains in excess of capital losses, from investment capital, to the  
16 extent included in computing entire net income, less, (A) in the  
17 discretion of the commissioner, any interest deductions allowable in  
18 computing entire net income which are directly or indirectly attribut-  
19 able to investment capital or investment income, (B) any capital gains  
20 deferred or excluded under 26 U.S.C. §1400-z-2, provided, however, that  
21 in no case shall investment income exceed entire net income. (ii) If the  
22 amount of interest deductions subtracted under subparagraph (i) of this  
23 paragraph exceeds investment income, the excess of such amount over  
24 investment income must be added back to entire net income. (iii) If the  
25 taxpayer's investment income determined without regard to the interest  
26 deductions subtracted under subparagraph (i) of this paragraph comprises  
27 more than eight percent of the taxpayer's entire net income, investment  
28 income determined without regard to such interest deductions cannot  
29 exceed eight percent of the taxpayer's entire net income.

30 § 3. Paragraph (a) of subdivision 5 of section 11-652 of the adminis-  
31 trative code of the city of New York, as added by section 1 of part D of  
32 chapter 60 of the laws of 2015, is amended to read as follows:

33 (a) (i) The term "investment income" means income, including capital  
34 gains in excess of capital losses, from investment capital, to the  
35 extent included in computing entire net income, less, (A) in the  
36 discretion of the commissioner of finance, any interest deductions  
37 allowable in computing entire net income which are directly or indirect-  
38 ly attributable to investment capital or investment income, (B) any  
39 capital gains deferred or excluded under 26 U.S.C §1400-z-2, provided,  
40 however, that in no case shall investment income exceed entire net  
41 income.

42 (ii) If the amount of interest deductions subtracted under subpara-  
43 graph (i) of this paragraph exceeds investment income, the excess of  
44 such amount over investment income must be added back to entire net  
45 income.

46 (iii) If the taxpayer's investment income determined without regard to  
47 the interest deductions subtracted under subparagraph (i) of this para-  
48 graph comprises more than eight percent of the taxpayer's entire net  
49 income, investment income determined without regard to such interest  
50 deductions cannot exceed eight percent of the taxpayer's entire net  
51 income.

52 § 4. This act shall take effect immediately and shall apply to taxable  
53 years beginning on and after January 1, 2021.

1

## PART RR

2 Section 1. Section 952 of the tax law, as amended by section 2 of  
 3 part X of chapter 59 of the laws of 2014, subsection (b) as amended by  
 4 section 1 of part BB of chapter 59 of the laws of 2015, is amended to  
 5 read as follows:

6 § 952. Tax imposed. (a) A tax is hereby imposed on the transfer of the  
 7 New York estate by every deceased individual who at his or her death was  
 8 a resident of New York state.

9 (b) Computation of tax. The tax imposed by this section shall be  
 10 computed on the deceased resident's New York taxable estate as follows:

11 (1) In the case of decedents dying before April 1, 2021:

| 12 If the New York taxable estate is:               | The tax is:  |
|---|--|
| 13 Not over \$500,000                               | 3.06% of taxable estate                                  |
| 14 Over \$500,000 but not over \$1,000,000          | \$15,300 plus 5.0% of excess over<br>15 \$500,000        |
| 16 Over \$1,000,000 but not over \$1,500,000        | \$40,300 plus 5.5% of excess over<br>17 \$1,000,000      |
| 18 Over \$1,500,000 but not over \$2,100,000        | \$67,800 plus 6.5% of excess over<br>19 \$1,500,000      |
| 20 Over \$2,100,000 but not over \$2,600,000        | \$106,800 plus 8.0% of excess<br>21 over \$2,100,000     |
| 22 Over \$2,600,000 but not over \$3,100,000        | \$146,800 plus 8.8% of excess over<br>23 \$2,600,000     |
| 24 Over \$3,100,000 but not over \$3,600,000        | \$190,800 plus 9.6% of excess over<br>25 \$3,100,000     |
| 26 Over \$3,600,000 but not over \$4,100,000        | \$238,800 plus 10.4% of excess<br>27 over \$3,600,000    |
| 28 Over \$4,100,000 but not over \$5,100,000        | \$290,800 plus 11.2% of excess<br>29 over \$4,100,000    |
| 30 Over \$5,100,000 but not over \$6,100,000        | \$402,800 plus 12.0% of excess<br>31 over \$5,100,000    |
| 32 Over \$6,100,000 but not over \$7,100,000        | \$522,800 plus 12.8% of excess<br>33 over \$6,100,000    |
| 34 Over \$7,100,000 but not over \$8,100,000        | \$650,800 plus 13.6% of excess<br>35 over \$7,100,000    |
| 36 Over \$8,100,000 but not over \$9,100,000        | \$786,800 plus 14.4% of excess<br>37 over \$8,100,000    |
| 38 Over \$9,100,000 but not over<br>39 \$10,100,000 | \$930,800 plus 15.2% of excess over<br>\$9,100,000       |
| 40 Over \$10,100,000                                | \$1,082,800 plus 16.0% of excess<br>41 over \$10,100,000 |

42 (2) In the case of decedents dying on or after April 1, 2021:

| 43 <u>If the New York taxable estate is:</u>                     | <u>The tax is:</u>   |
|--|--|
| 44 <u>Not over \$500,000</u>                                     | <u>5.06% of taxable estate</u>                                   |
| 45 <u>Over \$500,000 but not over</u><br>46 <u>\$1,000,000</u>   | <u>\$25,300 plus 7.0% of excess over</u><br><u>\$500,000</u>     |
| 47 <u>Over \$1,000,000 but not over</u><br>48 <u>\$1,500,000</u> | <u>\$60,300 plus 7.5% of excess over</u><br><u>\$1,000,000</u>   |
| 49 <u>Over \$1,500,000 but not over</u><br>50 <u>\$2,100,000</u> | <u>\$97,800 plus 8.5% of excess over</u><br><u>\$1,500,000</u>   |
| 51 <u>Over \$2,100,000 but not over</u><br>52 <u>\$2,600,000</u> | <u>\$148,800 plus 10.0% of excess</u><br><u>over \$2,100,000</u> |
| 53 <u>Over \$2,600,000 but not over</u><br>54 <u>\$3,100,000</u> | <u>\$198,800 plus 10.8% of excess</u><br><u>over \$2,600,000</u> |
| 55 <u>Over \$3,100,000 but not over</u>                          | <u>\$252,800 plus 11.6% of excess</u>                            |

|    |                                      |   |
|----|--------------------------------------|---|
| 1  | <u>\$3,600,000</u>                   | <u>over \$3,100,000</u>                 |
| 2  | <u>Over \$3,600,000 but not over</u> | <u>\$310,800 plus 12.4% of excess</u>   |
| 3  | <u>\$4,100,000</u>                   | <u>over \$3,600,000</u>                 |
| 4  | <u>Over \$4,100,000 but not over</u> | <u>\$372,800 plus 13.2% of excess</u>   |
| 5  | <u>\$5,100,000</u>                   | <u>over \$4,100,000</u>                 |
| 6  | <u>Over \$5,100,000 but not over</u> | <u>\$504,800 plus 14.0% of excess</u>   |
| 7  | <u>\$6,100,000</u>                   | <u>over \$5,100,000</u>                 |
| 8  | <u>Over \$6,100,000 but not over</u> | <u>\$644,800 plus 14.8% of excess</u>   |
| 9  | <u>\$7,100,000</u>                   | <u>over \$6,100,000</u>                 |
| 10 | <u>Over \$7,100,000 but not over</u> | <u>\$792,800 plus 15.6% of excess</u>   |
| 11 | <u>\$8,100,000</u>                   | <u>over \$7,100,000</u>                 |
| 12 | <u>Over \$8,100,000 but not over</u> | <u>\$948,800 plus 16.4% of excess</u>   |
| 13 | <u>\$9,100,000</u>                   | <u>over \$8,100,000</u>                 |
| 14 | <u>Over \$9,100,000 but not over</u> | <u>\$1,112,800 plus 17.2% of excess</u> |
| 15 | <u>\$10,100,000</u>                  | <u>over \$9,100,000</u>                 |
| 16 | <u>Over \$10,100,000</u>             | <u>\$1,284,800 plus 18.0% of excess</u> |
| 17 |                                      | <u>over \$10,100,000</u>                |

18 (c) Applicable credit amount. (1) A credit of the applicable credit  
19 amount shall be allowed against the tax imposed by this section as  
20 provided in this subsection. In the case of a decedent whose New York  
21 taxable estate is less than or equal to the basic exclusion amount, the  
22 applicable credit amount shall be the amount of tax that would be due  
23 under subsection (b) of this section on such decedent's New York taxable  
24 estate. In the case of a decedent whose New York taxable estate exceeds  
25 the basic exclusion amount by an amount that is less than or equal to  
26 five percent of such amount, the applicable credit amount shall be the  
27 amount of tax that would be due under subsection (b) of this section if  
28 the amount on which the tax is to be computed were equal to the basic  
29 exclusion amount multiplied by one minus a fraction, the numerator of  
30 which is the decedent's New York taxable estate minus the basic exclu-  
31 sion amount, and the denominator of which is five percent of the basic  
32 exclusion amount. Provided, however, that the credit allowed by this  
33 subsection shall not exceed the tax imposed by this section, and no  
34 credit shall be allowed to the estate of any decedent whose New York  
35 taxable estate exceeds one hundred five percent of the basic exclusion  
36 amount.

37 (2) (A) For purposes of this section, the basic exclusion amount shall  
38 be as follows:

39 In the case of decedents dying on or after: The basic exclusion amount  
40 is:

|    |  |              |
|----|--|--------------|
| 41 | April 1, 2014 and before April 1, 2015   | \$ 2,062,500 |
| 42 | April 1, 2015 and before April 1, 2016   | 3,125,000    |
| 43 | April 1, 2016 and before April 1, 2017   | 4,187,500    |
| 44 | April 1, 2017 and before January 1, 2019 | 5,250,000    |

45 (B) In the case of any decedent dying in a calendar year beginning on  
46 or after January first, two thousand nineteen, the basic exclusion  
47 amount shall be equal to:

48 (i) five million dollars, multiplied by

49 (ii) one plus the cost-of-living adjustment, which shall be the  
50 percentage by which the consumer price index for the preceding calendar  
51 year exceeds the consumer price index for calendar year two thousand  
52 ten.

53 (C) (i) For purposes of this paragraph, "consumer price index" means  
54 the most recent consumer price index for all-urban consumers published  
55 by the United States department of labor.

1 (ii) For purposes of clause (ii) of subparagraph (B) of this para-  
2 graph, the consumer price index for any calendar year shall be the aver-  
3 age of the consumer price index as of the close of the twelve-month  
4 period ending on August thirty-first of such calendar year.

5 (iii) If any amount adjusted under this paragraph is not a multiple of  
6 ten thousand dollars, such amount shall be rounded to the nearest multi-  
7 ple of ten thousand dollars.

8 § 2. This act shall take effect immediately.

9

## PART SS

10 Section 1. The real property law is amended by adding a new section  
11 291-k to read as follows:

12 § 291-k. Recording of mezzanine debt and preferred equity investments.

13 1. Within a city having a population of one million or more, a mortgage  
14 instrument is recorded in the office of the recording officer of any  
15 county, any mezzanine debt or preferred equity investment related to the  
16 real property upon which the mortgage instrument is filed shall also be  
17 recorded with such mortgage instrument. For the purposes of this  
18 section, "mezzanine debt" and "preferred equity investments" shall mean  
19 debt carried by a borrower that may be subordinate to the primary lien  
20 and is senior to the common shares of an entity or the borrower's equity  
21 and reported as assets for the purposes of financing such primary lien.  
22 This shall include non-traditional financing techniques such as a direct  
23 or indirect investment by a financing source in an entity that owns the  
24 equality interests of the underlying mortgage where the financing source  
25 has special rights or preferred rights such as: (i) the right to receive  
26 a special or preferred rate of return on its capital investment; and  
27 (ii) the right to an accelerated repayment of the investors capital  
28 contribution.

29 2. This section shall apply to both mezzanine debt and preferred equi-  
30 ty investments if both used by the borrower or mortgagor, or either  
31 mezzanine debt or preferred debt, if either is used by the borrower or  
32 mortgagor.

33 3. For purposes of this section, "mezzanine debt" and "preferred equi-  
34 ty investments" shall not include debt on cooperative or common shares  
35 of a residential dwelling where the unit owner of a cooperative apart-  
36 ment is a shareholder of the ownership entity, has exclusive occupancy  
37 of such dwelling unit, and has established and delimited rights under a  
38 proprietary lease.

39 4. No remedy otherwise available to a secured party under article nine  
40 of the uniform commercial code shall be available to enforce a security  
41 agreement pertaining to mezzanine debt financing and/or preferred equity  
42 investments in relation to real property upon which a mortgage instru-  
43 ment is filed that is evidenced by a financing statement, unless that  
44 financing statement is filed and the tax imposed pursuant to the author-  
45 ity of section two hundred fifty-three-aa of the tax law, has been paid.

46 § 2. Section 9-601 of the uniform commercial code is amended by adding  
47 a new subsection (h) to read as follows:

48 (h) Security interest perfected by financing statement. 1. Notwith-  
49 standing any provision of law to the contrary, a security interest in  
50 mezzanine debt and/or preferred equity investments related to the real  
51 property upon which a mortgage instrument is filed within a city having  
52 a population of one million or more, may only be perfected by the filing  
53 of a financing statement under subpart 1 of part 5 of this article and

1 only after the payment of any taxes due pursuant to section two hundred  
2 ninety-one-k of the real property law.

3 2. For purposes of this section, the terms "mezzanine debt" and  
4 "preferred equity investments" shall have the same meaning as provided  
5 in section two hundred ninety-one-k of the real property law.

6 3. This section shall not be applicable to any debt on cooperative or  
7 common shares of a residential dwelling where the unit owner of a coop-  
8 erative apartment is a shareholder of the ownership entity, has exclu-  
9 sive occupancy of such dwelling unit, and has established and delimited  
10 rights under a proprietary lease.

11 § 3. Paragraph (a) of subdivision 2 of section 250 of the tax law, as  
12 amended by section 1 of part Q of chapter 60 of the laws of 2004, is  
13 amended to read as follows:

14 (a) (1) The term "mortgage" as used in this article includes every  
15 mortgage or deed of trust which imposes a lien on or affects the title  
16 to real property, notwithstanding that such property may form a part of  
17 the security for the debt or debts secured thereby. An assignment of  
18 rents to accrue from tenancies, subtenancies, leases or subleases of  
19 real property, within any city in the state having a population of one  
20 million or more, given as security for an indebtedness, shall be deemed  
21 a mortgage of real property for purposes of this article. Executory  
22 contracts for the sale of real property under which the vendee has or is  
23 entitled to possession shall be deemed to be mortgages for the purposes  
24 of this article and shall be taxable at the amount unpaid on such  
25 contracts. A contract or agreement by which the indebtedness secured by  
26 any mortgage is increased or added to, shall be deemed a mortgage of  
27 real property for the purpose of this article, and shall be taxable as  
28 such upon the amount of such increase or addition.

29 (2) Notwithstanding anything in this section or section two hundred  
30 fifty-five of this article to the contrary, a contract or agreement  
31 whereby the proceeds of any indebtedness secured by a mortgage of real  
32 property in any city in the state having a population of one million or  
33 more are used to reduce all or any part of a mortgagee's equity interest  
34 in a wraparound or similar mortgage of such real property shall be  
35 deemed a mortgage of real property for the purposes of this article and  
36 shall be taxable as such to the extent of the amount of such proceeds so  
37 used, without regard to whether the aggregate amount of indebtedness  
38 secured by mortgages of such real property is increased or added to.

39 (3) Notwithstanding any provision to the contrary in this section or  
40 section two hundred fifty-five of this article, "mezzanine debt" and  
41 "preferred equity investments" as such terms are defined in subdivision  
42 four of this section, shall be taxable and shall apply to taxes in  
43 subdivisions one, one-a and two of section two hundred fifty-three of  
44 this article, but shall not apply to any other taxes in this article on  
45 or after the effective date of this subparagraph.

46 § 4. Section 250 of the tax law is amended by adding a new subdivi-  
47 sion 4 to read as follows:

48 4. The terms "mezzanine debt" and "preferred equity investments" shall  
49 have the same meaning as provided in section two hundred ninety-one-k of  
50 the real property law.

51 § 5. The tax law is amended by adding a new section 253-aa to read as  
52 follows:

53 § 253-aa. Recording tax on mezzanine debt. 1. Within a city having a  
54 population of one million or more, a tax, measured by the amount of  
55 principal debtor obligation which is under any contingency may be  
56 secured at the date of the execution thereof, or at any time thereafter,

1 by a security agreement pertaining to mezzanine debt financing and/or  
2 preferred equity investments in relation to real property upon which a  
3 mortgage instrument is filed, as evidenced by a financing statement, is  
4 imposed on the filing of the financing statement.

5 2. The rate and incidence of the tax shall be in the same amount as  
6 any tax that has been imposed by a county or city under the authority of  
7 this article on the recording of a mortgage instrument financing state-  
8 ment pertaining to mezzanine debt financing and/or preferred equity  
9 investments in relation to real property upon which a mortgage instru-  
10 ment is filed in the same manner as the local mortgage recording tax.

11 3. Except as otherwise provided in this section, all the provisions of  
12 this article relating to or applicable to the administration,  
13 collection, determination and distribution of the tax imposed by section  
14 two hundred fifty-three of this article shall apply to the tax imposed  
15 under the authority of this section with such modification as may be  
16 necessary to adapt such language to the tax so authorized. Any reference  
17 to a mortgage will be deemed to be a reference to a financing statement  
18 that evidences a security agreement. Such provisions shall apply with  
19 the same force and effect as if those provisions had been set forth in  
20 this section except to the extent that any provision is either incon-  
21 sistent with a provision of this section or not relevant to the tax  
22 authorized by this section.

23 4. No remedy otherwise available to a secured party under article nine  
24 of the uniform commercial code shall be available to enforce a security  
25 agreement pertaining to mezzanine debt financing and/or preferred equity  
26 investments in relation to real property upon which a mortgage instru-  
27 ment is filed that is evidenced by a financing statement, unless that  
28 financing statement is filed and the tax imposed pursuant to the author-  
29 ity of this section has been paid.

30 5. For the purposes of this section:

31 (a) "mezzanine debt" and "preferred equity investments" shall have the  
32 same meaning as provided in section two hundred ninety-one-k of the real  
33 property law.

34 (b) "financing statement" means a record or records composed of an  
35 initial financing statement and any filed record relating to the initial  
36 financing statement.

37 (c) "security agreement" means an agreement that creates or provides  
38 for a security interest.

39 6. The tax imposed on a security agreement pertaining to mezzanine  
40 financing and/or preferred equity investments upon which a mortgage  
41 instrument is filed pursuant to this section shall be in the same amount  
42 as any that apply to the mortgage instrument that is imposed on the  
43 mortgage instrument associated with the mezzanine financing and/or  
44 preferred equity investments upon which a mortgage instrument is filed.  
45 Any tax that has been imposed by a county or city under the authority of  
46 this article shall be deemed to include the authority to impose and  
47 collect the tax on the recording of a financing statement pertaining to  
48 mezzanine debt financing and/or preferred equity investments in relation  
49 to real property upon which a mortgage instrument is filed in the same  
50 manner as the local mortgage recording tax.

51 § 6. Paragraph (a) of subdivision 1 of section 255 of the tax law is  
52 amended by adding a new subparagraph (iii) to read as follows:

53 (iii) Notwithstanding the provisions of subparagraph (i) of this para-  
54 graph, the taxes imposed by the authority under subparagraph three of  
55 paragraph (a) of subdivision two of section two hundred fifty of this

1 article shall apply to mezzanine debt and/or preferred equity invest-  
2 ments as such terms are defined by subdivision four of such section.

3 § 7. Section 257 of the tax law is amended to read as follows:

4 § 257. Payment of taxes. The taxes imposed by this article shall be  
5 payable on the recording of each mortgage of real property subject to  
6 taxes thereunder. Such taxes shall be paid to the recording officer of  
7 any county in which the real property or any part thereof is situated;  
8 provided, however, the taxes imposed pursuant to section two hundred  
9 fifty-three-aa of this article, which shall be paid to the recording  
10 officer, shall be remitted to the New York city housing authority as  
11 constituted by section four hundred one of the public housing law. It

12 shall be the duty of such recording officer to indorse upon each mort-  
13 gage and any mezzanine debt included with such mortgage a receipt for  
14 the amount of the tax so paid. Any mortgage so indorsed may thereupon or  
15 thereafter be recorded by any recording officer and the receipt for such  
16 tax indorsed upon each mortgage shall be recorded therewith. The record  
17 of such receipt shall be conclusive proof that the amount of tax stated  
18 therein has been paid upon such mortgage, including any mezzanine debt.

19 § 8. Subdivision 1 of section 258 of the tax law, as amended by chap-  
20 ter 241 of the laws of 1989, is amended to read as follows:

21 1. No mortgage of real property shall be recorded by any county clerk  
22 or register, unless there shall be paid the taxes imposed by and as in  
23 this article provided. No mortgage of real property which is subject to  
24 the taxes imposed by this article shall be released, discharged of  
25 record or received in evidence in any action or proceeding, nor shall  
26 any assignment of or agreement extending any such mortgage be recorded  
27 unless the taxes imposed thereon by this article shall have been paid as  
28 provided in this article. For purposes of the taxes imposed and author-  
29 ized by subparagraph three of paragraph (a) of subdivision two of  
30 section two hundred fifty of this article, unless such taxes shall have  
31 been paid, no mortgage of real property shall be recorded by any county  
32 clerk or register, nor shall such mortgage be released, discharged,  
33 recorded or received in evidence in any action or proceeding, nor shall  
34 any assignment of agreement extending such mortgage be recorded.

35 Provided, however, except as otherwise provided in subdivision two of  
36 this section, in order to obtain a release or discharge of record where  
37 the mortgagor is not liable for the special additional tax imposed under  
38 subdivision one-a of section two hundred fifty-three of this chapter,  
39 such mortgagor or any subsequent owner of the mortgaged property or a  
40 part thereof may pay the tax imposed under such subdivision one-a and  
41 penalty, and may either apply for the credit allowable under this chap-  
42 ter for payment of such additional tax or may maintain an action to  
43 recover the amounts so paid against any person liable for payment of the  
44 tax or any subsequent assignees or owners of such mortgage or consol-  
45 idated mortgage of which such mortgage is a part, as if such amounts of  
46 tax and penalty were a debt personally owed by such persons to the mort-  
47 gagor or subsequent owner. No judgment or final order in any action or  
48 proceeding shall be made for the foreclosure or the enforcement of any  
49 mortgage which is subject to any tax imposed by this article or of any  
50 debt or obligation secured by any such mortgage, unless the taxes,  
51 including taxes authorized by subparagraph three of paragraph (a) of  
52 subdivision two of section two hundred fifty of this article imposed by  
53 this article shall have been paid as provided in this article; and,  
54 except as otherwise provided in subdivision two of this section, whenev-  
55 er it shall appear that any mortgage has been recorded without payment  
56 of a tax imposed by this article there shall be added to the tax a sum

1 equal to one-half of one per centum thereof for each month or fraction  
 2 of a month for the period that the tax remains unpaid except where it  
 3 could not be determined from the face of the instrument that a tax was  
 4 due, or where an advance has been made on a prior advance mortgage or a  
 5 corporate trust mortgage without payment of the tax, in which case there  
 6 shall be added to the tax a sum equal to one per centum thereof for each  
 7 month or fraction of a month for the period that the tax remains unpaid.  
 8 In any case where a mortgage of real property subject to a tax imposed  
 9 by this article has heretofore been recorded or is hereafter recorded in  
 10 good faith, and the county clerk or register has held such mortgage  
 11 nontaxable or taxable at one amount, and it shall later appear that it  
 12 was taxable or taxable at a greater amount, the commissioner of taxation  
 13 and finance may remit the penalties in excess of one-half of one per  
 14 centum per month.  
 15 § 9. This act shall take effect on the ninetieth day after it shall  
 16 have become a law.

17 PART TT

18 Section 1. Subparagraph (B) of paragraph 3 of subsection (c) of  
 19 section 658 of the tax law, as amended by section 1 of part H-1 of chap-  
 20 ter 57 of the laws of 2009, is amended to read as follows:

21 (B) The filing fee will be based on the New York source gross income  
 22 of the limited liability company or partnership for the taxable year  
 23 immediately preceding the taxable year for which the fee is due. If the  
 24 limited liability company or partnership does not have any New York  
 25 source gross income for the taxable year immediately preceding the taxa-  
 26 ble year for which the fee is due, the limited liability company or  
 27 partnership shall pay the minimum filing fee. Partnerships, other than  
 28 limited liability partnerships under article eight-B of the partnership  
 29 law and foreign limited liability partnerships, with less than one  
 30 million dollars in New York source gross income are exempt from the  
 31 filing fee. New York source gross income is the sum of the partners' or  
 32 members' shares of federal gross income from the partnership or limited  
 33 liability company derived from or connected with New York sources,  
 34 determined in accordance with the provisions of section six hundred  
 35 thirty-one of this article as if those provisions and any related  
 36 provisions expressly referred to a computation of federal gross income  
 37 from New York sources. For this purpose, federal gross income is  
 38 computed without any allowance or deduction for cost of goods sold.

39 The amount of the filing fee for taxable years beginning on or after  
 40 January first, two thousand eight and prior to January first, two thou-  
 41 sand twenty-one will be determined in accordance with the following  
 42 table:

|  |             |
|--|-------------|
| 43 If the New York source gross income is:         | The fee is: |
| 44 not more than \$100,000                         | \$25        |
| 45 more than \$100,000 but not over \$250,000      | \$50        |
| 46 more than \$250,000 but not over \$500,000      | \$175       |
| 47 more than \$500,000 but not over \$1,000,000    | \$500       |
| 48 more than \$1,000,000 but not over \$5,000,000  | \$1,500     |
| 49 more than \$5,000,000 but not over \$25,000,000 | \$3,000     |
| 50 Over \$25,000,000                               | \$4,500     |

51 The amount of the filing fee for taxable years beginning on or after  
 52 January first, two thousand twenty-one will be determined by the commis-



1 sioner such that the fee schedule applicable when the New York source  
2 gross income is not more than one million dollars will remain the same  
3 as it was on or after January first, two thousand eight, and that the  
4 filing fee schedule applicable when the New York source gross income is  
5 more than one million dollars will be adjusted by the commissioner in  
6 such a way as to generate one hundred thirteen million dollars in addi-  
7 tional revenue as compared to the total revenue generated from such fees  
8 in the taxable year two thousand twenty.

9 § 2. This act shall take effect on the ninetieth day after it shall  
10 have become a law. Effective immediately, the addition, amendment and/or  
11 repeal of any rule or regulation necessary for the implementation of  
12 this act on its effective date are authorized to be made and completed  
13 on or before such effective date.

14 PART UU

15 Section 1. Section 606 of the tax law is amended by adding a new  
16 subsection (e-2) to read as follows:

17 (e-2) Real property tax relief credit. (1) For purposes of this  
18 subsection:

19 (A) "Qualified taxpayer" means a resident individual of the state who  
20 has occupied the same residence for six months or more of the taxable  
21 year as his or her primary residence, and is required or chooses to file  
22 a return under this article.

23 (B) "Qualified gross income" means the adjusted gross income of the  
24 qualified taxpayer for the taxable year as reported for federal income  
25 tax purposes, or which would be reported as adjusted gross income if a  
26 federal income tax return were required to be filed. In computing quali-  
27 fied gross income, the net amount of loss reported on Federal Schedule  
28 C, D, E, or F shall not exceed three thousand dollars per schedule. In  
29 addition, the net amount of any other separate category of loss shall  
30 not exceed three thousand dollars. The aggregate amount of all losses  
31 included in computing qualified gross income shall not exceed fifteen  
32 thousand dollars.

33 (C) "Residence" means a dwelling in this state owned by the taxpayer  
34 and used by the taxpayer as his or her primary residence, and so much of  
35 the land abutting it, not exceeding one acre, as is reasonably necessary  
36 for use of the dwelling as a home, and may consist of a part of a  
37 multi-dwelling or multi-purpose building including a cooperative or  
38 condominium. Residence includes a trailer or mobile home, used exclu-  
39 sively for residential purposes and defined as real property pursuant to  
40 paragraph (g) of subdivision twelve of section one hundred two of the  
41 real property tax law.

42 (D) "Qualifying real property taxes" means all real property taxes,  
43 special ad valorem levies and special assessments, exclusive of penal-  
44 ties and interest, levied by a taxing jurisdiction on the residence  
45 owned and occupied by a qualified taxpayer and paid by the qualified  
46 taxpayer during the taxable year, provided that to the extent the total  
47 amount of real property taxes so paid includes school district taxes,  
48 the amount of the school tax relief (STAR) credit claimed pursuant to  
49 subsection (ccc) of this section, if any, shall be deducted from such  
50 amount.

51 A qualified taxpayer may elect to include any additional amount that  
52 would have been levied by a taxing jurisdiction and paid by the quali-  
53 fied taxpayer in the absence of an exemption from real property taxation  
54 pursuant to section four hundred sixty-seven of the real property tax

1 law. If tenant-stockholders in a cooperative housing corporation have  
 2 met the requirements of section two hundred sixteen of the internal  
 3 revenue code by which they are allowed a deduction for real estate  
 4 taxes, the amount of taxes so allowable, or which would be allowable if  
 5 the taxpayer had filed returns on a cash basis, shall be qualifying real  
 6 property taxes. If a residence is an integral part of a larger unit,  
 7 qualifying real property taxes shall be limited to that amount of such  
 8 taxes paid as may be reasonably apportioned to such residence. If a  
 9 taxpayer owns and occupies two residences during different periods in  
 10 the same taxable year, qualifying real property taxes shall be the sum  
 11 of the prorated qualifying real property taxes attributable to the  
 12 taxpayer during the periods such taxpayer occupies each of such resi-  
 13 dences. If the taxpayer owns and occupies a residence for part of the  
 14 taxable year and rents a residence for part of the same taxable year, it  
 15 may include the proration of qualifying real property taxes on the resi-  
 16 dence owned. Provided, however, for purposes of the credit allowed under  
 17 this subsection, qualifying real property taxes may be included by a  
 18 qualified taxpayer only to the extent that such taxpayer or the spouse  
 19 of such taxpayer, occupying such residence for one hundred eighty-three  
 20 days or more of the taxable year, owns or has owned the residence and  
 21 paid such taxes.

22 (E) "Excess real property tax" means the excess of qualifying real  
 23 property taxes over the following percentage of qualified gross income:

| <u>For the years beginning in:</u> | <u>Percentage:</u> |
|------------------------------------|--------------------|
| <u>2021 and after</u>              | <u>6.0%</u>        |

26 (2) A qualified taxpayer shall be allowed a credit as provided in  
 27 paragraph three of this subsection against the taxes imposed by this  
 28 article. If the credit exceeds the tax for such year under this article,  
 29 the excess shall be treated as an overpayment, to be credited or  
 30 refunded, without interest. If a qualified taxpayer is not required to  
 31 file a return pursuant to section six hundred fifty-one of this article,  
 32 a qualified taxpayer may nevertheless receive the full amount of the  
 33 credit to be credited or repaid as an overpayment, without interest.

34 (3) Determination of credit. For all taxable years beginning on or  
 35 after January first, two thousand twenty-one, the credit amount allowed  
 36 under this subsection shall equal the applicable percentage of the  
 37 excess real property tax, calculated as follows:

38 (A) For qualified taxpayers whose qualified gross income is seventy-  
 39 five thousand dollars or less, the applicable percentage shall be four-  
 40 teen percent.

41 (B) For qualified taxpayers whose qualified gross income is greater  
 42 than seventy-five thousand dollars but less than or equal to one hundred  
 43 fifty thousand dollars, the applicable percentage shall be the differ-  
 44 ence between (i) fourteen percent and (ii) five percent multiplied by a  
 45 fraction, the numerator of which is the difference between the qualified  
 46 taxpayer's qualified gross income as defined by this subsection and  
 47 seventy-five thousand dollars, and the denominator of which is seventy-  
 48 five thousand dollars.

49 (C) For qualified taxpayers whose qualified gross income is greater  
 50 than one hundred fifty thousand dollars but less than or equal to two  
 51 hundred fifty thousand dollars, the applicable percentage shall be the  
 52 difference between (i) nine percent and (ii) six percent multiplied by a  
 53 fraction, the numerator of which is the difference between the qualified  
 54 taxpayer's qualified gross income and one hundred fifty thousand  
 55 dollars, and the denominator of which is one hundred thousand dollars.

1 (4) Maximum credit for property owners. Notwithstanding the provisions  
2 of paragraph three of this subsection, the maximum credit determined  
3 under such paragraph, and thereby allowed under this subsection, shall  
4 not exceed the amount calculated under this paragraph.

5 For all taxable years beginning on or after January first, two thou-  
6 sand twenty-one, the maximum credit amount allowed under this subsection  
7 shall be calculated as follows:

8 (A) For qualified taxpayers whose qualified gross income is seventy-  
9 five thousand dollars or less, the maximum credit allowed shall be five  
10 hundred dollars.

11 (B) For qualified taxpayers whose qualified gross income is greater  
12 than seventy-five thousand dollars but less than or equal to one hundred  
13 fifty thousand dollars, the maximum credit allowed shall be the differ-  
14 ence between (i) five hundred dollars and (ii) one hundred fifty dollars  
15 multiplied by a fraction, the numerator of which is the difference  
16 between the qualified taxpayer's qualified gross income and seventy-five  
17 thousand dollars, and the denominator of which is seventy-five thousand  
18 dollars.

19 (C) For qualified taxpayers whose qualified gross income is greater  
20 than one hundred fifty thousand dollars but less than or equal to two  
21 hundred fifty thousand dollars, the maximum credit allowed shall be the  
22 difference between (i) three hundred fifty dollars and (ii) one hundred  
23 fifty dollars multiplied by a fraction, the numerator of which is the  
24 difference between the qualified taxpayer's qualified gross income and  
25 one hundred fifty thousand dollars, and the denominator of which is one  
26 hundred thousand dollars.

27 (5) If a qualified taxpayer occupies a residence for a period of less  
28 than twelve months during the taxable year or occupies two residences  
29 during different periods in such taxable year, the credit allowed pursu-  
30 ant to this subsection shall be computed in such manner as the commis-  
31 sioner may, by regulation, prescribe in order to properly reflect the  
32 credit or portion thereof attributable to such residence or residences  
33 and such period or periods.

34 (6) The commissioner may prescribe that the credit under this  
35 subsection shall be determined in whole or in part by the use of tables  
36 prescribed by such commissioner. Such tables shall set forth the credit  
37 to the nearest dollar.

38 (7) No credit shall be granted under this subsection:

39 (A) To a property owner if qualified gross income for the taxable year  
40 exceeds two hundred fifty thousand dollars.

41 (B) To a property owner unless: (i) the property is used for residen-  
42 tial purposes; (ii) not more than twenty percent of the rental income,  
43 if any, from the property is from rental for nonresidential purposes;  
44 and (iii) the property is occupied as a residence in whole or in part by  
45 one or more of the owners of the property.

46 (C) To an individual with respect to whom a deduction under subsection  
47 (c) of section one hundred fifty-one of the internal revenue code is  
48 allowable to another taxpayer for the taxable year.

49 (D) With respect to a residence that is wholly exempted from real  
50 property taxation.

51 (E) To an individual who is not a resident individual of the state for  
52 the entire taxable year.

53 (8) The right to claim a credit or the portion of a credit, where such  
54 credit has been divided under this subsection, shall be personal to the  
55 qualified taxpayer and shall not survive his or her death, but such

1 right may be exercised on behalf of a claimant by his or her legal guar-  
2 dian or attorney in fact during his or her lifetime.

3 (9) If a qualified taxpayer is not required to file a return pursuant  
4 to section six hundred fifty-one of this article, a claim for a credit  
5 may be taken on a return filed with the commissioner within three years  
6 from the time it would have been required that a return be filed pursu-  
7 ant to such section had the qualified taxpayer had a taxable year ending  
8 on December thirty-first. Returns under this paragraph shall be in such  
9 form as shall be prescribed by the commissioner, who shall make avail-  
10 able such forms and instructions for filing such returns.

11 (10) The commissioner may require a qualified taxpayer to furnish the  
12 following information in support of his or her claim for credit under  
13 this subsection: qualified gross income; real property taxes levied or  
14 that would have been levied in the absence of an exemption from real  
15 property tax pursuant to section four hundred sixty-seven of the real  
16 property tax law; and all other information which may be required by the  
17 commissioner to determine the credit.

18 (11) The provisions of this article, including the provisions of  
19 sections six hundred fifty-three, six hundred fifty-eight, and six  
20 hundred fifty-nine of this article and the provisions of part six of  
21 this article relating to procedure and administration, including the  
22 judicial review of the decisions of the commissioner, except so much of  
23 section six hundred eighty-seven of this article which permits a claim  
24 for credit or refund to be filed after the period provided for in para-  
25 graph eight of this subsection and except sections six hundred fifty-  
26 seven, six hundred eighty-eight and six hundred ninety-six of this arti-  
27 cle, shall apply to the provisions of this subsection in the same manner  
28 and with the same force and effect as if the language of those  
29 provisions had been incorporated in full into this subsection and had  
30 expressly referred to the credit allowed or returns filed under this  
31 subsection, except to the extent that any such provision is either  
32 inconsistent with a provision of this subsection or is not relevant to  
33 this subsection. As used in such sections and such part, the term  
34 "taxpayer" shall include a qualified taxpayer under this subsection and,  
35 notwithstanding the provisions of subsection (e) of section six hundred  
36 ninety-seven of this article, where a qualified taxpayer has protested  
37 the denial of a claim for credit under this subsection and the time to  
38 file a petition for redetermination of a deficiency or for refund has  
39 not expired, he or she shall, subject to such conditions as may be set  
40 by the commissioner, receive such information which the commissioner  
41 finds is relevant and material to the issue of whether such claim was  
42 properly denied.

43 (12) The commissioner shall prepare a written report after December  
44 thirty-first of each calendar year, which shall contain statistical  
45 information regarding the credits granted on or before such dates under  
46 this subsection during such calendar year. Copies of the report shall be  
47 submitted by the commissioner to the governor, the temporary president  
48 of the senate, the speaker of the assembly, the chairman of the senate  
49 finance committee and the chairman of the assembly ways and means  
50 committee within forty-five days of December thirty-first. Such report  
51 shall contain, but need not be limited to, the number of credits and the  
52 average amount of such credits allowed; and of those, the number of  
53 credits and the average amount of such credits allowed to qualified  
54 taxpayers in each county; and of those, the number of credits and the  
55 average amount of such credits allowed to qualified taxpayers whose

1 qualified gross income falls within each of the qualified gross income  
2 ranges set forth in this subsection.

3 (13) In the case of a taxpayer who has itemized deductions from feder-  
4 al adjusted gross income, and whose federal itemized deductions include  
5 an amount for real estate taxes paid, the New York itemized deduction  
6 otherwise allowable under section six hundred fifteen of this chapter  
7 shall be reduced by the amount of the credit claimed under this  
8 subsection.

9 § 2. This act shall take effect immediately and shall apply to taxable  
10 years beginning on or after January 1, 2021.

11 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
12 sion, section or part of this act shall be adjudged by any court of  
13 competent jurisdiction to be invalid, such judgment shall not affect,  
14 impair, or invalidate the remainder thereof, but shall be confined in  
15 its operation to the clause, sentence, paragraph, subdivision, section  
16 or part thereof directly involved in the controversy in which such judg-  
17 ment shall have been rendered. It is hereby declared to be the intent of  
18 the legislature that this act would have been enacted even if such  
19 invalid provisions had not been included herein.

20 § 3. This act shall take effect immediately provided, however, that  
21 the applicable effective date of Parts A through UU of this act shall be  
22 as specifically set forth in the last section of such Parts.