STATE OF NEW YORK

3804

2021-2022 Regular Sessions

IN SENATE

January 30, 2021

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to extending the top state income tax rate

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

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

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

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $43,000	$1,202 plus 5.9% of excess over $27,900
Over $43,000 but not over $161,550	$2,093 plus 5.97% of excess over $43,000
Over $161,550 but not over $323,200	$9,170 plus 6.33% of excess over $161,550
Over $323,200 but not over [~~$2,155,350~~] **$1,000,000**	$19,403 plus 6.85% of excess over $323,200
[~~Over $2,155,350~~]	[~~$144,005 plus 8.82% of excess over $2,155,350~~]
Over $1,000,000	**$65,764 plus 10.75% of excess over**

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

LBD02773-02-1

	$1,000,000

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.85% of excess over $27,900
Over $161,550 but not over $323,200	$9,021 plus 6.25% of excess over $161,550
Over $323,200 but not over [~~$2,155,350~~] **$1,000,000**	$19,124 plus 6.85% of excess over $323,200
[~~Over $2,155,350~~]	[~~$144,626 plus 8.82% of excess over $2,155,350~~]
Over $1,000,000	**$65,485 plus 10.75% of excess over $1,000,000**

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

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.73% of excess over $27,900
Over $161,550 but not over $323,200	$8,860 plus 6.17% of excess over $161,550
Over $323,200 but not over [~~$2,155,350~~] **$1,000,000**	$18,834 plus 6.85% of excess over $323,200
[~~Over $2,155,350~~]	[~~$144,336 plus 8.82% of excess over $2,155,350~~]
Over $1,000,000	**$65,195 plus 10.75% of excess over $1,000,000**

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

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.61% of excess over $27,900
Over $161,550 but not over $323,200	$8,700 plus 6.09% of excess over $161,550
Over $323,200 but not over [~~$2,155,350~~] **$1,000,000**	$18,544 plus 6.85% of excess over $323,200
[~~Over $2,155,350~~]	[~~$144,047 plus 8.82% of excess over $2,155,350~~]
Over $1,000,000	**$64,905 plus 10.75% of excess over $1,000,000**

(viii) For taxable years beginning after two thousand twenty-four the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $17,150	4% of the New York taxable income
Over $17,150 but not over $23,600	$686 plus 4.5% of excess over $17,150
Over $23,600 but not over $27,900	$976 plus 5.25% of excess over $23,600
Over $27,900 but not over $161,550	$1,202 plus 5.5% of excess over $27,900
Over $161,550 but not over $323,200	$8,553 plus 6.00% of excess over $161,550
Over $323,200 **but not over $1,000,000**	$18,252 plus 6.85% of excess over $323,200
Over $1,000,000	**$64,613 plus 10.75% of excess over $1,000,000**

§ 2. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, clauses (iv), (v), (vi) and (vii) as amended by section 2 of part P of chapter 59 of the laws of 2019, and clause (viii) as added by section 2 of part R of chapter 59 of the laws of 2017, are amended to read as follows:

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

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $32,200	$901 plus 5.9% of excess over $20,900
Over $32,200 but not over $107,650	$1,568 plus 5.97% of excess over $32,200
Over $107,650 but not over $269,300	$6,072 plus 6.33% of excess over $107,650
Over $269,300 but not over [~~$1,616,450~~] **$1,000,000**	$16,304 plus 6.85% of excess over $269,300
[~~Over $1,616,450~~	~~$108,584 plus 8.82% of excess over $1,616,450~~]
Over $1,000,000	**$66,357 plus 10.75% of excess over $1,000,000**

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.85% of excess over $20,900
Over $107,650 but not over $269,300	$5,976 plus 6.25% of excess over $107,650
Over $269,300 but not over [~~$1,616,450~~] **$1,000,000**	$16,079 plus 6.85% of excess over $269,300
[~~Over $1,616,450~~	~~$108,359 plus 8.82% of excess over~~

	~~$1,616,450~~]
Over $1,000,000	$66,132 plus 10.75% of excess over $1,000,000

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

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.73% of excess over $20,900
Over $107,650 but not over $269,300	$5,872 plus 6.17% of excess over $107,650
Over $269,300 but not over [~~$1,616,450~~] $1,000,000	$15,845 plus 6.85% of excess over $269,300
[~~Over $1,616,450~~	~~$108,125 plus 8.82% of excess over $1,616,450~~]
Over $1,000,000	$65,898 plus 10.75% of excess over $1,000,000

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

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.61% of excess over $20,900
Over $107,650 but not over $269,300	$5,768 plus 6.09% of excess over $107,650
Over $269,300 but not over [~~$1,616,450~~] $1,000,000	$15,612 plus 6.85% of excess over $269,300
[~~Over $1,616,450~~	~~$107,892 plus 8.82% of excess over $1,616,450~~]
Over $1,000,000	$65,665 plus 10.75% of excess over $1,000,000

(viii) For taxable years beginning after two thousand twenty-four the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $12,800	4% of the New York taxable income
Over $12,800 but not over $17,650	$512 plus 4.5% of excess over $12,800
Over $17,650 but not over $20,900	$730 plus 5.25% of excess over $17,650
Over $20,900 but not over $107,650	$901 plus 5.5% of excess over $20,900
Over $107,650 but not over $269,300	$5,672 plus 6.00% of excess over $107,650
Over $269,300 but not over $1,000,000	$15,371 plus 6.85% of excess over $269,300
Over $1,000,000	$65,424 plus 10.75% of excess over $1,000,000

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

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

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $21,400	$600 plus 5.9% of excess over $13,900
Over $21,400 but not over $80,650	$1,042 plus 5.97% of excess over $21,400
Over $80,650 but not over $215,400	$4,579 plus 6.33% of excess over $80,650
Over $215,400 but not over [~~$1,077,550~~] $1,000,000	$13,109 plus 6.85% of excess over $215,400
[~~Over $1,077,550~~]	[~~$72,166 plus 8.82% of excess over $1,077,550~~]
Over $1,000,000	$66,855 plus 10.75% of excess over $1,000,000

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.85% of excess over $13,900
Over $80,650 but not over $215,400	$4,504 plus 6.25% of excess over $80,650
Over $215,400 but not over [~~$1,077,550~~] $1,000,000	$12,926 plus 6.85% of excess over $215,400
[~~Over $1,077,550~~]	[~~$71,984 plus 8.82% of excess over $1,077,550~~]
Over $1,000,000	$66,672 plus 10.75% of excess over $1,000,000

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

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.73% of excess over $13,900
Over $80,650 but not over $215,400	$4,424 plus 6.17% of excess over $80,650
Over $215,400 but not over	$12,738 plus 6.85% of excess

[~~$1,077,550~~] **$1,000,000**	over $215,400
[~~Over $1,077,550~~	~~$71,796 plus 8.82% of excess over $1,077,550~~]
Over $1,000,000	**$66,484 plus 10.75% of excess over $1,000,000**

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

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.61% of excess over $13,900
Over $80,650 but not over $215,400	$4,344 plus 6.09% of excess over $80,650
Over $215,400 but not over	$12,550 plus 6.85% of excess
[~~$1,077,550~~] **$1,000,000**	over $215,400
[~~Over $1,077,550~~	~~$71,608 plus 8.82% of excess over $1,077,550~~]
Over $1,000,000	**$66,296 plus 10.75% of excess over $1,000,000**

(viii) For taxable years beginning after two thousand twenty-four the following rates shall apply:

If the New York taxable income is:	The tax is:
Not over $8,500	4% of the New York taxable income
Over $8,500 but not over $11,700	$340 plus 4.5% of excess over $8,500
Over $11,700 but not over $13,900	$484 plus 5.25% of excess over $11,700
Over $13,900 but not over $80,650	$600 plus 5.50% of excess over $13,900
Over $80,650 but not over $215,400	$4,271 plus 6.00% of excess over $80,650
Over $215,400 **but not over**	$12,356 plus 6.85% of
$1,000,000	excess over $215,400
Over $1,000,000	**$66,102 plus 10.75% of excess over $1,000,000**

§ 4. Section 171-a of the tax law, as separately amended by chapters 481 and 484 of the laws of 1981, is amended by adding a new subdivision 3 to read as follows:

3. Notwithstanding subdivision one of this section or any other provision of law to the contrary, with regards to any increase in the taxes imposed pursuant to section six hundred one of this chapter attributable to the difference in the rate of such taxes for taxable years beginning in and after two thousand twenty-one and the rate of such taxes for taxable years beginning in two thousand twenty, such revenue shall be deposited into the state treasury to the credit of the general fund. The amount for administrative costs shall be determined by the commissioner to represent reasonable costs of the department in administering, collecting, determining, and distributing such taxes. Of the total revenue collected or received under such sections of this chapter, the comptroller shall retain in his or her hands such amount as the commissioner may determine to be necessary for refunds or reimbursements under such sections of this chapter out of which amount the comp-

troller shall pay any refunds or reimbursements to which taxpayers shall be entitled under provisions of such sections. The commissioner and the comptroller shall maintain a system of accounts showing the amount of revenue collected or received from each of the taxes imposed by such sections.

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