

# STATE OF NEW YORK

4680

2021-2022 Regular Sessions

## IN SENATE

February 8, 2021

Introduced by Sen. PALUMBO -- 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 establishing a small business tax credit for certain efforts taken to improve such small business's facility in an effort to reduce the spread of infectious diseases

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

1 Section 1. Section 210-B of the tax law is amended by adding a new  
2 subdivision 55 to read as follows:

3 55. Small business tax credit; infectious disease mitigation. (a)  
4 General. A taxpayer that is a small business shall be allowed a credit,  
5 to be computed as provided in this subdivision, against the tax imposed  
6 by this article for efforts taken to improve such taxpayer's facility in  
7 an effort to reduce the spread of infectious diseases.

8 (b) Amount of credit. A credit authorized by this section shall be  
9 equal to the amount of money spent by an eligible taxpayer to construct,  
10 install, build, and/or equip such taxpayer's facility with new amenities  
11 primarily intended to reduce the spread of infectious diseases, but  
12 shall not exceed five thousand dollars total for each location where  
13 such new amenities have been constructed, installed, built, and/or  
14 equipped.

15 (c) Carryover. The credit allowed under this subdivision for any taxa-  
16 ble year shall not reduce the tax due for such year to less than the  
17 amount prescribed in paragraph (d) of subdivision one of section two  
18 hundred ten of this article. However, if the amount of credit allowable  
19 under this subdivision for any taxable year reduces the tax to such  
20 amount or if the taxpayer otherwise pays tax based on the fixed dollar  
21 minimum amount, any amount of credit not deductible in such taxable year  
22 may be carried over to the following three years, and may be deducted  
23 from the qualified employer's tax for such years.

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

LBD06255-01-1

1 (d) Definitions. As used in this subdivision, the term "small busi-  
2 ness" shall mean any business having fifty or fewer employees.

3 (e) Claim of credit. A taxpayer shall not be allowed to claim this  
4 credit to the extent the basis of the calculation of this credit has  
5 been claimed for another tax credit under this chapter.

6 § 2. Section 606 of the tax law is amended by adding a new subsection  
7 (111) to read as follows:

8 (111) Small business tax credit; infectious disease mitigation. (1)  
9 General. A taxpayer that is a small business shall be allowed a credit,  
10 to be computed as provided in this subsection, against the tax imposed  
11 by this article for efforts taken to improve such taxpayer's facility in  
12 an effort to reduce the spread of infectious diseases.

13 (2) Amount of credit. A credit authorized by this section shall be  
14 equal to the amount of money spent by an eligible taxpayer to construct,  
15 install, build, and/or equip such taxpayer's facility with new amenities  
16 primarily intended to reduce the spread of infectious diseases, but  
17 shall not exceed five thousand dollars total for each location where  
18 such new amenities have been constructed, installed, built, and/or  
19 equipped.

20 (3) Carryover. The credit allowed under this subsection for any taxa-  
21 ble year shall not reduce the tax due for such year to less than the  
22 amount prescribed in paragraph (d) of subdivision one of section two  
23 hundred ten of this chapter. However, if the amount of credit allowable  
24 under this subsection for any taxable year reduces the tax to such  
25 amount or if the taxpayer otherwise pays tax based on the fixed dollar  
26 minimum amount, any amount of credit not deductible in such taxable year  
27 may be carried over to the following three years, and may be deducted  
28 from the qualified employer's tax for such years.

29 (4) Definitions. As used in this subsection, the term "small business"  
30 shall mean any business having fifty or fewer employees.

31 (5) Claim of credit. A taxpayer shall not be allowed to claim this  
32 credit to the extent the basis of the calculation of this credit has  
33 been claimed for another tax credit under this chapter.

34 § 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606  
35 of the tax law is amended by adding a new clause (xlvi) to read as  
36 follows:

37 <u>(xlvi) Small business tax credit;</u>	<u>Amount of credit under</u>
38 <u>infectious disease mitigation</u>	<u>subdivision fifty-five of</u>
39 <u>under subsection (111)</u>	<u>section two hundred</u>
40	<u>ten-B</u>

41 § 4. This act shall take effect on the first of January next succeed-  
42 ing the date on which it shall have become a law.