STATE OF NEW YORK

6354

2021-2022 Regular Sessions

IN SENATE

April 23, 2021

Introduced by Sen. AKSHAR -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to direct the commissioner of taxation and finance to utilize a third-party evaluator for investigating the effectiveness of state tax incentives

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

Section 1. The commissioner of taxation and finance shall utilize a third-party evaluator to prepare reports, pursuant to the schedule set forth in section two of this act, which shall include the following:

(a) a listing and description of tax exemption, abatement, credit or other benefits allowed against state tax liability for the purpose of spurring economic development, whether against the rate of the tax, the subject on which the rate is applied or the payment amount due;

(b) the eligibility requirements for, and general objectives of, each such tax benefit;

(c) aggregate data regarding utilization of each such tax benefit. For benefits with respect to which taxpayers are eligible to carry over benefits into future tax years, aggregate amounts carried over per tax benefit shall be identified;

(d) the total amount of tax benefits received by taxpayers with respect to each such tax benefit;

(e) an assessment, including such data and supporting documentation as is meaningful and available, regarding the economic effectiveness and other consequences of the provision of such tax benefit currently and as anticipated going forward;

(f) an analysis of similar incentives and benefits provided in other states and cities, including an assessment of the success of such incentives in such states and cities in comparison with comparable current state programs; and

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

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(g) recommendations as to which state incentives and benefits should be maintained, changed or eliminated in order to best promote the objectives of the state with respect to the use of such programs.

§ 2. The first report shall be a fully comprehensive report covering all tax incentive and exemption programs in effect as of the first of January preceding the effective date of this act, and shall be submitted to the legislature no later than the first of January following the effective date of this act. A report evaluating materially changed state incentives and benefits, and any other materially changed conditions, shall be provided every three years to the legislature with respect to the period since the last report.

§ 3. This act shall take effect one year after it shall have become a law.