

STATE OF NEW YORK

6800

2021-2022 Regular Sessions

IN SENATE

May 17, 2021

Introduced by Sen. GIANARIS -- 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 and the administrative code of the city of New York, in relation to treatment of gains from qualified opportunity zones in calculating taxable income

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

1 Section 1. Paragraph (b) of subdivision 9 of section 208 of the tax
2 law is amended by adding a new subparagraph 28 to read as follows:

3 (28) the amount of gain excluded from federal gross income for the
4 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
5 section 1400Z-2 of the internal revenue code.

6 § 2. Subdivision 9 of section 208 of the tax law is amended by adding
7 a new paragraph (u) to read as follows:

8 (u) For tax years beginning on or after January first, two thousand
9 twenty-one, upon the sale or exchange of property with respect to which
10 the taxpayer has made the election under subparagraph (c) of paragraph
11 (1) of subsection (a) of section 1400Z-2 of the internal revenue code,
12 the basis of such property under this article shall be determined as if
13 the taxpayer had not made such election.

14 § 3. Subsection (b) of section 612 of the tax law is amended by adding
15 a new paragraph 44 to read as follows:

16 (44) the amount of gain excluded from federal gross income for the
17 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
18 section 1400Z-2 of the internal revenue code.

19 § 4. Section 612 of the tax law is amended by adding a new subsection
20 (y) to read as follows:

21 (y) Qualified opportunity zones. For tax years beginning on or after
22 January first, two thousand twenty-one, upon the sale or exchange of
23 property with respect to which the taxpayer has made the election under
24 subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2

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

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1 of the internal revenue code, the basis of such property under this
2 article shall be determined as if the taxpayer had not made such
3 election.

4 § 5. Paragraph 2 of subdivision (b) of section 1503 of the tax law is
5 amended by adding a new subparagraph (AA) to read as follows:

6 (AA) the amount of gain excluded from federal gross income for the
7 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
8 section 1400Z-2 of the internal revenue code.

9 § 6. Section 1503 of the tax law is amended by adding a new subdivi-
10 sion (d) to read as follows:

11 (d) For tax years beginning on or after January first, two thousand
12 twenty-one, upon the sale or exchange of property with respect to which
13 the taxpayer has made the election under subparagraph (c) of paragraph
14 (1) of subsection (a) of section 1400Z-2 of the internal revenue code,
15 the basis of such property under this article shall be determined as if
16 the taxpayer had not made such election.

17 § 7. Paragraph (a) of subdivision 8 of section 11-602 of the adminis-
18 trative code of the city of New York is amended by adding a new subpara-
19 graph 16 to read as follows:

20 (16) the amount of gain excluded from federal gross income for the
21 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
22 section 1400Z-2 of the internal revenue code.

23 § 8. Section 11-602 of the administrative code of the city of New York
24 is amended by adding a new subdivision 11 to read as follows:

25 11. For tax years beginning on or after January first, two thousand
26 twenty-one, upon the sale or exchange of property with respect to which
27 the taxpayer has made the election under subparagraph (c) of paragraph
28 (1) of subsection (a) of section 1400Z-2 of the internal revenue code,
29 the basis of such property under this article shall be determined as if
30 the taxpayer had not made such election.

31 § 9. Paragraph (a) of subdivision 8 of section 11-652 of the adminis-
32 trative code of the city of New York is amended by adding a new subpara-
33 graph 17 to read as follows:

34 (17) the amount of gain excluded from federal gross income for the
35 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
36 section 1400Z-2 of the internal revenue code.

37 § 10. Subdivision 8 of section 11-652 of the administrative code of
38 the city of New York is amended by adding a new paragraph (u) to read as
39 follows:

40 (u) For tax years beginning on or after January first, two thousand
41 twenty-one, upon the sale or exchange of property with respect to which
42 the taxpayer has made the election under subparagraph (c) of paragraph
43 (1) of subsection (a) of section 1400Z-2 of the internal revenue code,
44 the basis of such property under this article shall be determined as if
45 the taxpayer had not made such election.

46 § 11. Subdivision (b) of section 11-1712 of the administrative code of
47 the city of New York is amended by adding a new paragraph 40 to read as
48 follows:

49 (40) the amount of gain excluded from federal gross income for the
50 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
51 section 1400Z-2 of the internal revenue code.

52 § 12. Section 11-1712 of the administrative code of the city of New
53 York is amended by adding a new subdivision (w) to read as follows:

54 (w) For tax years beginning on or after January first, two thousand
55 twenty-one, upon the sale or exchange of property with respect to which
56 the taxpayer has made the election under subparagraph (c) of paragraph

1 (1) of subsection (a) of section 1400Z-2 of the internal revenue code,
2 the basis of such property under this article shall be determined as if
3 the taxpayer had not made such election.

4 § 13. This act shall take effect immediately and shall apply to taxa-
5 ble years beginning on or after January 1, 2021.