

# STATE OF NEW YORK

6800--A

2021-2022 Regular Sessions

## IN SENATE

May 17, 2021

Introduced by Sens. GIANARIS, KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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-two, 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:

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

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1 (y) Qualified opportunity zones. For tax years beginning on or after  
2 January first, two thousand twenty-two, upon the sale or exchange of  
3 property with respect to which the taxpayer has made the election under  
4 subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2  
5 of the internal revenue code, the basis of such property under this  
6 article shall be determined as if the taxpayer had not made such  
7 election.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 § 13. This act shall take effect immediately and shall apply to taxa-  
10 ble years beginning on or after January 1, 2022.