STATE OF NEW YORK

8009--B

IN SENATE

January 19, 2022

A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to accelerating the middle-class tax cut (Part A); to amend the tax law, in relation to providing an enhanced investment tax credit to farmers (Subpart A); to amend the tax law and chapter 60 of the laws of 2016 amending the tax law relating to creating a farm workforce retention credit, in relation to the effectiveness of such credit (Subpart B); and to amend the tax law, in relation to establishing a farm employer overtime credit (Subpart C) (Part B); to amend the tax law and the administrative code of the city of New York, in relation to the business income base rate and expanding the small business subtraction modification (Part C); to amend the tax law, in relation to excluding certain loan forgiveness awards from state income tax (Part D); to amend the economic development law and the tax law, in relation to creating the COVID-19 capital costs tax credit program (Part E); to amend the tax law and the state finance law, in relation to extending and expanding the New York city musical and theatrical production tax credit and the purposes of the New York state council on the arts cultural programs fund; and to amend subpart B of part PP of chapter 59 of the laws of 2021 amending the tax law and the state finance law relating to establishing the New York city musical and theatrical production tax credit and establishing the New York state council on the arts cultural program fund, in relation to the effectiveness thereof (Part F); intentionally omitted (Part G); to amend the tax law, in relation to extending and modifying the hire a vet credit (Part H); to amend the tax law, in relation to establishing a tax credit for the conversion from grade no. 6 heating oil usage to biodiesel heating oil and geothermal systems (Part I); to amend the public housing law, in relation to extending the credit against income tax for persons or entities investing in low-income housing (Part J); to amend the tax law, in relation to extending the clean heating fuel credit for three years (Part K); to amend chapter 604 of the laws of 2011 amending the tax law relating to the credit for companies

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

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who provide transportation to people with disabilities, in relation to the effectiveness thereof; and to amend the tax law, in relation to the application of a credit for companies who provide transportation to individuals with disabilities (Part L); to amend the tax law, in relation to the empire state film production credit and the empire state film post production credit (Part M); to amend the labor law, in relation to extending the New York youth jobs program tax credit (Part N); to amend the labor law, in relation to extending the empire state apprenticeship tax credit program (Part O); to amend the tax law, in relation to extending the alternative fuels and electric vehicle recharging property credit and adding a reporting requirement (Part P); to amend the labor law, in relation to the program period for the workers with disabilities tax credit program; and to amend part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program, in relation to the effectiveness thereof (Part Q); intentionally omitted (Part R); intentionally omitted (Part S); to amend the tax law, in relation to providing an exemption from the payments of the petroleum business tax on the operation of commercial tugboats, barges and other commercial towboats (Part T); intentionally omitted (Part U); intentionally omitted (Part V); to amend the tax law, in relation to requiring publication of changes in withholding tables and interest rates (Part W); to amend the tax law, in relation to expanding the definition of financial institution under the financial institution data match program (Part X); to amend the real property tax law and chapter 475 of the laws of 2013, relating to assessment ceilings for local public utility mass real property, in relation to extending the assessment ceiling for local public utility mass real property to January 1, 2027 (Part Y); to amend the real property tax law, in relation to good cause refunds for the STAR program (Subpart A); intentionally omitted (Subpart B); to amend the tax law, in relation to clarifying the applicable income tax year for the basic STAR credit (Subpart C); to amend the tax law, in relation to allowing names of STAR credit recipients to be shared with assessors outside of New York state (Subpart D); and to amend the tax law and the real property tax law, in relation to allowing decedent reports to be given to assessors and improving the tax enforcement process as it relates to decedents (Subpart E) (Part Z); intentionally omitted (Part AA); to amend the tax law, in relation to establishing a homeowner tax rebate credit (Part BB); to amend the racing, pari-mutuel wagering and breeding law and the tax law, in relation to gaming facility determinations and licensing (Part CC); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds; and to amend chapter 59 of the laws of 2021 amending the racing, pari-mutuel wagering and breeding law, relating to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds, in relation to the effectiveness thereof (Part DD); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and

other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part EE); to amend the tax law, in relation to providing a tax credit for qualified caregiving expenses; and to provide for the repeal of such provisions upon the expiration thereof (Part FF); 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 (Part GG); to amend the tax law, in relation to the solar energy system equipment tax credit (Part HH); to amend the tax law, in relation to establishing a credit for geothermal energy systems (Part II); to amend the real property tax law, in relation to an abatement of real property taxes for the creation or expansion of childcare centers in certain buildings in a city having a population of one million or more (Part JJ); to amend the tax law and the administrative code of the city of New York, in relation to the earned income tax credit (Part KK); to amend the tax law and the economic development law, in relation to the creation of the empire state digital gaming media production credit; to amend the state finance law, in relation to creating the empire state digital gaming diversity job training development fund; and providing for the repeal of certain provisions upon expiration thereof (Part LL); to amend the racing, pari-mutuel wagering and breeding law, in relation to the definition of wager and the licensing of mobile sports wagering operators (Part MM); to amend the racing, pari-mutuel wagering and breeding law, in relation to extending authorization of the New York Jockey Injury Compensation Fund, Inc. to use certain funds to pay certain annual costs (Part NN); to amend the tax law, in relation to permitting deductions for commercial cannabis activity; and providing for the repeal of such provisions upon expiration thereof (Part OO); to amend the tax law, the general business law and the state finance law, in relation to establishing a temporary fuel tax holiday; and to direct the department of transportation, in conjunction with the department of taxation and finance, to conduct a study on the feasibility of creating a general vehicle miles traveled tax (Part PP); and to amend the tax law, in relation to the earned income tax credit (Part QQ)

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

Section 1. This act enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2022-2023 state fiscal year. Each component is wholly contained within a Part identified as Parts A through QQ. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of paragraph 1 of subsection (a) of section 601 of the tax law, clauses (vi), (vii) and (viii) as amended and clause (ix) as added by section 1 of part A of chapter 59 of the laws of 2021, are amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three **and before two thousand twenty-eight** 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 $18,834 plus 6.85% of excess over $323,200~~
~~Over $2,155,350 but not over $5,000,000 $144,336 plus 9.65% of excess over $2,155,350~~
~~Over $5,000,000 but not over $25,000,000 $418,845 plus 10.30% of excess over $5,000,000~~
~~Over $25,000,000 $2,478,845 plus 10.90% of excess over $25,000,000~~

~~(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 $18,544 plus 6.85% of excess over $323,200~~
~~Over $2,155,350 but not over $5,000,000 $144,047 plus 9.65% of excess over $2,155,350~~
~~Over $5,000,000 but not over $25,000,000 $418,555 plus 10.30% of excess over $5,000,000~~
~~Over $25,000,000 $2,478,555 plus 10.90% of excess over $25,000,000~~

~~(viii) For taxable years beginning after two thousand twenty-four and before two thousand twenty-eight 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 $2,155,350	$18,252 plus 6.85% of excess over $323,200
Over $2,155,350 but not over $5,000,000	$143,754 plus 9.65% of excess over $2,155,350
Over $5,000,000 but not over $25,000,000	$418,263 plus 10.30% of excess over $5,000,000
Over $25,000,000	$2,478,263 plus 10.90% of excess over $25,000,000

[~~(ix)~~](vii) For taxable years beginning after two thousand twenty-seven 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 $2,155,350	$18,252 plus 6.85% of excess over $323,200
Over $2,155,350	$143,754 plus 8.82% of excess over $2,155,350

§ 2. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, clauses (vi), (vii) and (viii) as amended and clause (ix) as added by section 2 of part A of chapter 59 of the laws of 2021, are amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three and before two thousand twenty-eight 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~~	~~$15,845 plus 6.85% of excess over $269,300~~
~~Over $1,616,450 but not over $5,000,000~~	~~$108,125 plus 9.65% of excess over $1,616,450~~
~~Over $5,000,000 but not over $25,000,000~~	~~$434,638 plus 10.30% of excess over $5,000,000~~
~~Over $25,000,000~~	~~$2,494,638 plus 10.90% of excess over $25,000,000~~

~~(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 $15,612 plus 6.85% of excess over $269,300~~
~~Over $1,616,450 but not over $5,000,000 $107,892 plus 9.65% of excess over $1,616,450~~
~~Over $5,000,000 but not over $25,000,000 $434,404 plus 10.30% of excess over $5,000,000~~
~~Over $25,000,000 $2,494,404 plus 10.90% of excess over $25,000,000~~

~~(viii) For taxable years beginning after two thousand twenty-four and before two thousand twenty-eight 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 $1,616,450	$15,371 plus 6.85% of excess over $269,300
Over $1,616,450 but not over $5,000,000	$107,651 plus 9.65% of excess over $1,616,450
Over $5,000,000 but not over $25,000,000	$434,163 plus 10.30% of excess over $5,000,000
Over $25,000,000	$2,494,163 plus 10.90% of excess over $25,000,000

[~~(ix)~~]**(vii)** For taxable years beginning after two thousand twenty-seven 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 $1,616,450	$15,371 plus 6.85% of excess over $269,300
Over $1,616,450	$107,651 plus 8.82% of excess over $1,616,450

§ 3. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law, clauses (vi), (vii) and (viii) as amended, and clause (ix) as added by section 3 of part A of chapter 59 of the laws of 2021, are amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three **and before two thousand twenty-eight** 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 $1,077,550~~	~~$12,738 plus 6.85% of excess over $215,400~~
~~Over $1,077,550 but not over $5,000,000~~	~~$71,796 plus 9.65% of excess over $1,077,550~~
~~Over $5,000,000 but not over $25,000,000~~	~~$450,312 plus 10.30% of excess over $5,000,000~~
~~Over $25,000,000~~	~~$2,510,312 plus 10.90% of excess over $25,000,000~~

~~(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 $1,077,550~~	~~$12,550 plus 6.85% of excess over $215,400~~
~~Over $1,077,550 but not over $5,000,000~~	~~$71,608 plus 9.65% of excess over $1,077,550~~
~~Over $5,000,000 but not over $25,000,000~~	~~$450,124 plus 10.30% of excess over $5,000,000~~
~~Over $25,000,000~~	~~$2,510,124 plus 10.90% of excess over $25,000,000~~

~~(viii) For taxable years beginning after two thousand twenty-four and before two thousand twenty-eight 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 $1,077,550	$12,356 plus 6.85% of excess over $215,400
Over $1,077,550 but not over $5,000,000	$71,413 plus 9.65% of excess over $1,077,550
Over $5,000,000 but not over $25,000,000	$449,929 plus 10.30% of excess over $5,000,000
Over $25,000,000	$2,509,929 plus 10.90% of excess over $25,000,000

[~~(ix)~~](vii) For taxable years beginning after two thousand twenty-seven 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 $1,077,550	$12,356 plus 6.85% of excess over $215,400
Over $1,077,550	$71,413 plus 8.82% of excess over $1,077,550

§ 4. This act shall take effect immediately.

PART B

Section 1. This act enacts into law components of legislation relating to certain tax credits. Each component is wholly contained within a Subpart identified as Subparts A through C. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this act sets forth the general effective date of this act.

SUBPART A

Section 1. Subdivision 1 of section 210-B of the tax law is amended by adding a new paragraph (a-1) to read as follows:

(a-1) For a taxpayer that is an eligible farmer, as defined in subdivision eleven of this section, the percentage to be used to compute the credit allowed under this subdivision shall be twenty percent for property described in subparagraph (i) of paragraph (b) of this subdivision that is principally used by the taxpayer in the production of goods by farming, agriculture, horticulture, floriculture or viticulture.

§ 2. Subsection (a) of section 606 of the tax law is amended by adding a new paragraph 1-a to read as follows:

(1-a) For a taxpayer that is an eligible farmer, as defined in subsection (n) of this section, the percentage to be used to compute the credit allowed under this subsection shall be twenty percent for proper-

ty described in subparagraph (A) of paragraph two of this subsection that is principally used by the taxpayer in the production of goods by farming, agriculture, horticulture, floriculture or viticulture.

§ 3. This act shall take effect immediately and apply to property placed in service on or after April 1, 2022.

SUBPART B

Section 1. Subsection (e) of section 42 of the tax law, as amended by section 1 of part FF of chapter 59 of the laws of 2021, is amended to read as follows:

(e) For taxable years beginning on or after January first, two thousand seventeen and before January first, two thousand eighteen, the amount of the credit allowed under this section shall be equal to the product of the total number of eligible farm employees and two hundred fifty dollars. For taxable years beginning on or after January first, two thousand eighteen and before January first, two thousand nineteen, the amount of the credit allowed under this section shall be equal to the product of the total number of eligible farm employees and three hundred dollars. For taxable years beginning on or after January first, two thousand nineteen and before January first, two thousand twenty, the amount of the credit allowed under this section shall be equal to the product of the total number of eligible farm employees and five hundred dollars. For taxable years beginning on or after January first, two thousand twenty and before January first, two thousand twenty-one, the amount of the credit allowed under this section shall be equal to the product of the total number of eligible farm employees and four hundred dollars. For taxable years beginning on or after January first, two thousand twenty-one and before January first, two thousand [~~twenty-five~~] twenty-six, the amount of the credit allowed under this section shall be equal to the product of the total number of eligible farm employees and [~~six~~] twelve hundred dollars.

§ 2. Section 5 of part RR of chapter 60 of the laws of 2016 amending the tax law relating to creating a farm workforce retention credit, as amended by section 2 of part FF of chapter 59 of the laws of 2021, is amended to read as follows:

§ 5. This act shall take effect immediately and shall apply only to taxable years beginning on or after January 1, 2017 and before January 1, [~~2025~~] 2026.

§ 3. This act shall take effect immediately.

SUBPART C

Section 1. Subdivision (f) of section 42 of the tax law, as added by section 1 of part RR of chapter 60 of the laws of 2016, is amended to read as follows:

(f) A taxpayer claiming the credit allowed under this section shall not be allowed to claim any other tax credit allowed under this chapter, except the credit allowed under section forty-two-a of this article, with respect to any eligible farm employee included in the total number of eligible farm employees used to determine the amount of the credit allowed under this section.

§ 2. The tax law is amended by adding a new section 42-a to read as follows:

§ 42-a. Farm employer overtime credit. (a) Notwithstanding subdivision (f) of section forty-two of this article, a taxpayer that is a farm

employer or an owner of a farm employer shall be eligible for a credit against the tax imposed under article nine-A or twenty-two of this chapter, pursuant to the provisions referenced in subdivision (h) of this section.

(b) A farm employer is a corporation (including a New York S corporation), a sole proprietorship, a limited liability company or a partnership that is an eligible farmer.

(c) For purposes of this section, the term "eligible farmer" means a taxpayer whose federal gross income from farming as defined in subsection (n) of section six hundred six of this chapter for the taxable year is at least two-thirds of excess federal gross income. Excess federal gross income means the amount of federal gross income from all sources for the taxable year in excess of thirty thousand dollars. For purposes of this section, payments from the state's farmland protection program, administered by the department of agriculture and markets, shall be included as federal gross income from farming for otherwise eligible farmers.

(d) An eligible farm employee is an individual who meets the definition of a "farm laborer" under section two of the labor law who is employed by a farm employer in New York state, but excluding general executive officers of the farm employer.

(e) Eligible overtime is the aggregate number of hours of work performed during the taxable year by an eligible farm employee that in any calendar week exceeds the overtime work threshold set by the commissioner of labor pursuant to the recommendation of the farm laborers wage board, provided that work performed in such calendar week in excess of sixty hours shall not be included.

(f) Special rules. If more than fifty percent of such eligible farmer's federal gross income from farming is from the sale of wine from a licensed farm winery as provided for in article six of the alcoholic beverage control law, or from the sale of cider from a licensed farm cidery as provided for in section fifty-eight-c of the alcoholic beverage control law, then an eligible farm employee of such eligible farmer shall be included for purposes of calculating the amount of credit allowed under this section only if such eligible farm employee is employed by such eligible farmer on qualified agricultural property as defined in paragraph four of subsection (n) of section six hundred six of this chapter.

(g) The amount of the credit allowed under this section shall be equal to the aggregate amount of such credit allowed per eligible farm employee, as follows. The amount of the credit allowed per eligible farm employee shall be equal to the product of (i) the eligible overtime worked during the taxable year by the eligible farm employee and (ii) the overtime rate paid by the farm employer to the eligible farm employee less such employee's regular rate of pay.

(h) Quarterly filing option. A farm employer shall be able to file for an advanced partial payment of this credit on a quarterly basis on a form prescribed by the department for their eligible overtime expenses incurred during the preceding quarter based on quarterly employment and wage data submitted to the department.

(i) Special advanced payment. For the tax year beginning on January first, two thousand twenty-two, a farm employer shall be allowed to file for a special advanced prepayment of the credit on a form prescribed by the department. The special advanced payment can be claimed for the estimated eligible overtime expenses to be incurred by the farm employer during the first quarter of the tax year for which eligible overtime

expenses would be incurred. The department shall issue emergency regulations on the documentation required to be filed in order to calculate the estimated first quarter eligible overtime expenses. When a farm employer files for their first advanced partial credit payment under subdivision (h) of this section, the credit amount will be rectified with the special advanced payment. No interest or penalties will be imposed nor any interest paid on any difference between the special advanced payment and the advanced partial payment.

(j) Cross references: For application of the credit provided in this section, see the following provisions of this chapter:

(1) Article 9-A: Section 210-B, subdivision 58.

(2) Article 22: Section 606, subsection (nnn).

§ 3. Section 210-B of the tax law is amended by adding a new subdivision 58 to read as follows:

58. Farm employer overtime credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-two-a of this chapter, against the tax imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

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

(xlix) Farm employer overtime credit under subsection (nnn)	Amount of credit under subdivision fifty-eight of section two hundred ten-B

§ 5. Section 606 of the tax law is amended by adding a new subsection (nnn) to read as follows:

(nnn) Farm employer overtime credit. (1) A taxpayer shall be allowed a credit, to be computed as provided in section forty-two-a of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of credit allowed under this subsection for any taxable year exceeds the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provision of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 6. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2022.

§ 2. This act shall take effect immediately provided, however, that the applicable effective date of Subparts A through C of this act shall be as specifically set forth in the last section of such Subparts.

PART C

Section 1. Subparagraph (iv) of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 12 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

(iv) **(A)** for taxable years beginning before January first, two thousand sixteen, if the business income base is not more than two hundred ninety thousand dollars the amount shall be six and one-half percent of the business income base; if the business income base is more than two hundred ninety thousand dollars but not over three hundred ninety thousand dollars the amount shall be the sum of (1) eighteen thousand eight hundred fifty dollars, (2) seven and one-tenth percent of the excess of the business income base over two hundred ninety thousand dollars but not over three hundred ninety thousand dollars and (3) four and thirty-five hundredths percent of the excess of the business income base over three hundred fifty thousand dollars but not over three hundred ninety thousand dollars;

(B) for taxable years beginning on or after January first, two thousand twenty-two, if the business income base is not more than two hundred ninety thousand dollars the amount shall be four percent of the business income base; if the business income base is more than two hundred ninety thousand dollars but not over three hundred ninety thousand dollars the amount shall be the sum of (1) eleven thousand six hundred dollars, (2) six and one-half percent of the excess of the business income base over two hundred ninety thousand dollars but not over three hundred ninety thousand dollars and (3) eighteen and thirteen hundredths percent of the excess of the business income base over three hundred fifty thousand dollars but not over three hundred ninety thousand dollars;

§ 2. Paragraph 39 of subsection (c) of section 612 of the tax law, as added by section 1 of part Y of chapter 59 of the laws of 2013, is amended to read as follows:

(39) **(A)** In the case of a taxpayer who is a small business **or a taxpayer who is a member, partner, or shareholder of a limited liability company, partnership, or New York S corporation, respectively, that is a small business,** who **or which** has business income and/or farm income as defined in the laws of the United States, an amount equal to [~~three~~] **fifteen** percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero[~~, for taxable years beginning after two thousand thirteen, an amount equal to three and three-quarters percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero, for taxable years beginning after two thousand fourteen, and an amount equal to five percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero, for taxable years beginning after two thousand fifteen~~].

(B) (i) For the purposes of this paragraph, the term small business shall mean**: (I)** a sole proprietor [~~or a farm business~~] who employs one or more persons during the taxable year and who has net business income or net farm income of less than two hundred fifty thousand dollars**, or (II) a limited liability company, partnership or New York S corporation that during the taxable year employs one or more persons and has New York gross business income attributable to a non-farm business that is greater than zero but less than one million five hundred thousand dollars or net farm income attributable to a farm business that is greater than zero but less than two hundred fifty thousand dollars.**

(ii) For purposes of this paragraph, the term New York gross business income shall mean: (I) in the case of a limited liability company or a partnership New York source gross income as defined in subparagraph (B) of paragraph three of subsection (c) of section six hundred fifty-eight of this article, and, (II) in the case of a New York S corporation, New York receipts included in the numerator of the apportionment factor determined under section two hundred ten-A of this chapter for the taxable year.

(C) To qualify for this modification in relation to a non-farm small business that is a limited liability company, partnership or New York S corporation, the taxpayer's income attributable to the net business income from its ownership interests in non-farm limited liability companies, partnerships or New York S corporations must be less than two hundred fifty thousand dollars.

§ 3. Paragraph 35 of subdivision (c) of section 11-1712 of the administrative code of the city of New York, as added by section 2 of part Y of chapter 59 of the laws of 2013, is amended to read as follows:

(35) (A) In the case of a taxpayer who is a small business or a taxpayer who is a member, partner, or shareholder of a limited liability company, partnership, or New York S corporation, respectively, that is a small business, who or which has business income and/or farm income as defined in the laws of the United States, an amount equal to [~~three~~] fifteen percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero[~~, for taxable years beginning after two thousand thirteen, an amount equal to three and three-quarters percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero, for taxable years beginning after two thousand fourteen, and an amount equal to five percent of the net items of income, gain, loss and deduction attributable to such business or farm entering into federal adjusted gross income, but not less than zero, for taxable years beginning after two thousand fifteen~~].

(B) (i) For the purposes of this paragraph, the term small business shall mean: (I) a sole proprietor [~~or a farm business~~] who employs one or more persons during the taxable year and who has net business income or net farm income of less than two hundred fifty thousand dollars; or (II) a limited liability company, partnership or New York S corporation that during the taxable year employs one or more persons and has New York gross business income attributable to a non-farm business that is greater than zero but less than one million five hundred thousand dollars or net farm income attributable to a farm business that is greater than zero but less than two hundred fifty thousand dollars.

(ii) For purposes of this paragraph, the term New York gross business income shall mean: (I) in the case of a limited liability company or a partnership, New York source gross income as defined in subparagraph (B) of paragraph three of subsection (c) of section six hundred fifty-eight of the tax law and, (II) in the case of a New York S corporation, New York receipts included in the numerator of the apportionment factor determined under section two hundred ten-A of the tax law for the taxable year.

(C) To qualify for this modification in relation to a non-farm small business that is a limited liability company, partnership, or New York S corporation, the taxpayer's income attributable to the net business income from its ownership interests in non-farm limited liability compa-

nies, partnerships, or New York S corporations must be less than two hundred fifty thousand dollars.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2022.

PART D

Section 1. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 46 to read as follows:

(46) The amount of any student loan forgiveness award made pursuant to a program established under article fourteen of the education law to the extent included in federal adjusted gross income.

§ 2. This act shall take effect immediately and shall apply to tax years beginning on or after January 1, 2022.

PART E

Section 1. The economic development law is amended by adding a new article 26 to read as follows:

ARTICLE 26

COVID-19 CAPITAL COSTS TAX CREDIT PROGRAM

Section 480. Short title.
481. Statement of legislative findings and declaration.
482. Definitions.
483. Eligibility criteria.
484. Application and approval process.
485. COVID-19 capital costs tax credit.
486. Powers and duties of the commissioner.
487. Maintenance of records.
488. Cap on tax credit.

§ 480. Short title. This article shall be known and may be cited as the "COVID-19 capital costs tax credit program act".

§ 481. Statement of legislative findings and declaration. It is hereby found and declared that New York state needs, as a matter of public policy, to provide critical assistance to small businesses to comply with public health or other emergency orders or regulations, and to take infectious disease mitigation measures related to the COVID-19 pandemic. The COVID-19 capital costs tax credit program is created to provide financial assistance to economically harmed businesses to offer relief and reduce the duration and severity of the current economic difficulties.

§ 482. Definitions. For the purposes of this article:

1. "Certificate of tax credit" means the document issued to a business entity by the department after the department has verified that the business entity has met all applicable eligibility criteria in this article. The certificate shall specify the exact amount of the tax credit under this article that a business entity may claim, pursuant to section four hundred eighty-five of this article.

2. "Commissioner" shall mean commissioner of the department of economic development.

3. "Department" shall mean the department of economic development.

4. "Qualified COVID-19 capital costs" shall mean costs incurred from January first, two thousand twenty-one through December thirty-first, two thousand twenty-two at a business location in New York state to comply with public health or other emergency orders or regulations related to the COVID-19 pandemic, or to generally increase safety

through infectious disease mitigation, including costs for: (i) supplies to disinfect and/or protect against COVID-19 transmission; (ii) restocking of perishable goods to replace those lost during the COVID-19 pandemic; (iii) physical barriers and sneeze guards; (iv) hand sanitizer stations; (v) respiratory devices such as air purifier systems installed at the business entity's location; (vi) signage related to the COVID-19 pandemic including, but not limited to, signage detailing vaccine and masking requirements, and social distancing; (vii) materials required to define and/or protect space such as barriers; (viii) materials needed to block off certain seats to allow for social distancing; (ix) certain point of sale payment equipment to allow for contactless payment; (x) equipment and/or materials and supplies for new product lines in response to the COVID-19 pandemic; (xi) software for online payment platforms to enable delivery or contactless purchases; (xii) building construction and retrofits to accommodate social distancing and installation of air purifying equipment but not for costs for non-COVID-19 pandemic related capital renovations or general "closed for renovations" upgrades; (xiii) machinery and equipment to accommodate contactless sales; (xiv) materials to accommodate increased outdoor activity such as heat lamps, outdoor lighting, and materials related to outdoor space expansions; and (xv) other costs as determined by the department to be eligible under this section; provided, however, that "qualified COVID-19 capital costs" do not include any cost paid for with other COVID-19 grant funds as determined by the commissioner.

§ 483. Eligibility criteria. 1. To be eligible for a tax credit under the COVID-19 capital costs tax credit program, a business entity must:

(a) be a small business as defined in section one hundred thirty-one of this chapter and have two million five hundred thousand dollars or less of gross receipts in the taxable year that includes December thirty-first, two thousand twenty-one; and

(b) operate a business location in New York state.

2. A business entity must be in substantial compliance with any public health or other emergency orders or regulations related to the entity's business sector or other laws and regulations as determined by the commissioner. In addition, a business entity may not owe past due state taxes or local property taxes unless the business entity is making payments and complying with an approved binding payment agreement entered into with the taxing authority.

§ 484. Application and approval process. 1. A business entity must submit a complete application as prescribed by the commissioner.

2. The commissioner shall establish procedures and a timeframe for business entities to submit applications. As part of the application, each business entity must:

(a) provide evidence in a form and manner prescribed by the commissioner of their business eligibility;

(b) agree to allow the department of taxation and finance to share the business entity's tax information with the department. However, any information shared as a result of this program shall not be available for disclosure or inspection under the state freedom of information law;

(c) allow the department and its agents access to any and all books and records the department may require to monitor compliance;

(d) certify, under penalty of perjury, that it is in substantial compliance with all emergency orders or public health regulations currently required of such entity, and local, and state tax laws;

(e) certify, under penalty of perjury, that it did not include any cost paid for with other COVID-19 grant funds as determined by the

commissioner in its application for a tax credit under the COVID-19 capital costs tax credit program; and

(f) agree to provide any additional information required by the department relevant to this article.

3. After reviewing a business entity's completed final application and determining that the business entity meets the eligibility criteria as set forth in this article, the department may issue to that business entity a certificate of tax credit.

4. The business entity must submit its application by March thirty-first, two thousand twenty-three.

§ 485. COVID-19 capital costs tax credit. 1. A business entity in the COVID-19 capital costs tax credit program that meets the eligibility requirements of section four hundred eighty-three of this article may be eligible to claim a credit equal to fifty percent of its qualified COVID-19 capital costs as defined in subdivision four of section four hundred eighty-two of this article.

2. A business entity, including a partnership, limited liability company and subchapter S corporation, may not receive in excess of twenty-five thousand dollars under this program.

3. The credit shall be allowed as provided in section forty-seven, subdivision fifty-eight of section two hundred ten-B and subsection (nnn) of section six hundred six of the tax law.

4. A business entity may claim the tax credit in the taxable year that includes the date the certificate of tax credit was issued by the department pursuant to subdivision three of section four hundred eighty-four of this article.

§ 486. Powers and duties of the commissioner. 1. The commissioner may promulgate regulations establishing an application process and eligibility criteria, that will be applied consistent with the purposes of this article, so as not to exceed the annual cap on tax credits set forth in section four hundred eighty-eight of this article which, notwithstanding any provisions to the contrary in the state administrative procedure act, may be adopted on an emergency basis.

2. The commissioner shall, in consultation with the department of taxation and finance, develop a certificate of tax credit that shall be issued by the commissioner to eligible businesses. Such certificate shall contain such information as required by the department of taxation and finance.

3. The commissioner shall solely determine the eligibility of any applicant applying for entry into the program and shall remove any business entity from the program for failing to meet any of the requirements set forth in section four hundred eighty-three of this article, or for failing to meet the requirements set forth in subdivision one of section four hundred eighty-four of this article.

§ 487. Maintenance of records. Each business entity participating in the program shall keep all relevant records for their duration of program participation for at least three years.

§ 488. Cap on tax credit. The total amount of tax credits listed on certificates of tax credit issued by the commissioner pursuant to this article may not exceed two hundred fifty million dollars.

§ 2. The tax law is amended by adding a new section 47 to read as follows:

§ 47. COVID-19 capital costs tax credit. (a) Allowance of credit. A taxpayer subject to tax under article nine-A or twenty-two of this chapter shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (f) of this section. The amount of

the credit is equal to the amount determined pursuant to section four hundred eighty-five of the economic development law. No cost or expense paid or incurred by the taxpayer which is included as part of the calculation of this credit shall be the basis of any other tax credit allowed under this chapter.

(b) Eligibility. To be eligible for the COVID-19 capital costs tax credit, the taxpayer shall have been issued a certificate of tax credit by the department of economic development pursuant to subdivision three of section four hundred eighty-four of the economic development law, which certificate shall set forth the amount of the credit that may be claimed for the taxable year. The taxpayer shall be allowed to claim only the amount listed on the certificate of tax credit for that taxable year. A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in a subchapter S corporation that has received a certificate of tax credit shall be allowed its pro rata share of the credit earned by the partnership, limited liability company or subchapter S corporation.

(c) Tax return requirement. The taxpayer shall be required to attach to its tax return in the form prescribed by the commissioner, proof of receipt of its certificate of tax credit issued by the commissioner of the department of economic development.

(d) Information sharing. Notwithstanding any provision of this chapter, employees of the department of economic development and the department shall be allowed and are directed to share and exchange:

(1) information derived from tax returns or reports that is relevant to a taxpayer's eligibility to participate in the COVID-19 capital costs tax credit program;

(2) information regarding the credit applied for, allowed or claimed pursuant to this section and taxpayers that are applying for the credit or that are claiming the credit; and

(3) information contained in or derived from credit claim forms submitted to the department and applications for admission into the COVID-19 capital costs tax credit program. Except as provided in paragraph two of this subdivision, all information exchanged between the department of economic development and the department shall not be subject to disclosure or inspection under the state's freedom of information law.

(e) Credit recapture. If a certificate of tax credit issued by the department of economic development under article twenty-six of the economic development law is revoked by such department, the amount of credit described in this section and claimed by the taxpayer prior to that revocation shall be added back to tax in the taxable year in which any such revocation becomes final.

(f) Cross references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9-A: section 210-B, subdivision 58;

(2) article 22: section 606, subsection (nnn).

§ 3. Section 210-B of the tax law is amended by adding a new subdivision 58 to read as follows:

58. COVID-19 capital costs tax credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-seven of this chapter, against the taxes imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for the taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of

section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for the taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest will be paid thereon.

§ 4. Section 606 of the tax law is amended by adding a new subsection (nnn) to read as follows:

(nnn) COVID-19 capital costs tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-seven of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowed under this subsection for the taxable year exceeds the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest will be paid thereon.

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

(xlix) COVID-19 capital costs tax credit under subsection (nnn)	Amount of credit under subdivision 58 of section two hundred ten-B

§ 6. This act shall take effect immediately.

PART F

Section 1. Paragraph 2 of subdivision (a) of section 24-c of the tax law, as added by section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is amended to read as follows:

(2) The amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership) of twenty-five percent and the sum of the qualified production expenditures paid for during the qualified New York city musical and theatrical production's credit period. Provided however that the amount of the credit cannot exceed three million dollars per qualified New York city musical and theatrical production for productions whose first performance is [~~during the first year in which applications are accepted~~] prior to January first, two thousand twenty-three. For productions whose first performance is [~~during the second year in which applications are accepted~~] on or after January first, two thousand twenty-three, such cap shall decrease to one million five hundred thousand dollars per qualified New York city musical and theatrical production unless the New York city tourism economy has not sufficiently recovered, as determined by the department of economic development in consultation with the division of the budget. In determining whether the New York city tourism economy has sufficiently recovered, the department of economic development will perform an analysis of key New York city economic indicators which shall include, but not be limited to, hotel occupancy rates and travel metrics. The department of economic development's analysis shall also be informed by the status of any remaining COVID-19 restrictions affecting New York city musical and theatrical productions. In no event shall a

qualified New York city musical and theatrical production be eligible for more than one credit under this program.

§ 2. Subparagraph (i) of paragraph 5 of subdivision (b) of section 24-c of the tax law, as added by section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is amended to read as follows:

(i) "The credit period of a qualified New York city musical and theatrical production company" is the period starting on the production start date and ending on the earlier of the date the qualified musical and theatrical production has expended sufficient qualified production expenditures to reach its credit cap, [~~March thirty-first~~] December thirty-first, two thousand [~~twenty-three~~] twenty-four or the date the qualified musical and theatrical production closes.

§ 3. Paragraph 1 of subdivision (f) of section 24-c of the tax law, as added by section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is amended to read as follows:

(1) The aggregate amount of tax credits allowed under this section, subdivision fifty-seven of section two hundred ten-B and subsection (mmm) of section six hundred six of this chapter shall be [~~one~~] two hundred million dollars. Such aggregate amount of credits shall be allocated by the department of economic development among taxpayers based on the date of first performance of the qualified musical and theatrical production.

§ 4. Paragraph 2 of subdivision (f) of section 24-c of the tax law, as added by section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is amended to read as follows:

(2) The commissioner of economic development, after consulting with the commissioner, shall promulgate regulations to establish procedures for the allocation of tax credits as required by this section. Such rules and regulations shall include provisions describing the application process, the due dates for such applications, the standards that will be used to evaluate the applications, the documentation that will be provided by applicants to substantiate to the department the amount of qualified production expenditures of such applicants, and such other provisions as deemed necessary and appropriate. Notwithstanding any other provisions to the contrary in the state administrative procedure act, such rules and regulations may be adopted on an emergency basis. In no event shall a qualified New York city musical and theatrical production submit an application for this program after [~~December thirty-first, two thousand twenty-two~~] September thirtieth, two thousand twenty-four.

§ 5. Subdivision (g) of section 24-c of the tax law, as added by section 1 of subpart B of part PP of chapter 59 of the laws of 2021, is amended and a new subdivision (h) is added to read as follows:

(g) Any qualified New York city musical and theatrical production company that performs in a qualified New York city production facility and applies to receive a credit under this section shall be required to: (1) participate in a New York state diversity and arts job training program; (2) create and implement a plan to ensure that their production is available and accessible for low-or no-cost to low income New Yorkers; and (3) provided that it has first recouped all production costs incurred prior to the first performance of the qualified musical and theatrical production, including those incurred prior to the beginning of its credit period, contribute to the New York state council on the arts, cultural program fund an amount up to fifty percent of the total credits received if its production earns ongoing revenue prospectively after the end of the credit period that is at least equal to two hundred

percent of its ongoing production costs, with such amount payable from twenty-five percent of net operating profits, such amounts payable on a monthly basis, up until such fifty percent of the total credit amount is reached. Any funds deposited pursuant to this subdivision may be used for arts and cultural [~~educational and workforce development~~] grant programs of the New York state council on the arts. The obligation in paragraph three of this subdivision shall not apply to qualified musical and theatrical productions eligible for a maximum tax credit of one million five hundred thousand dollars.

(h) The department, with assistance from the department of economic development, shall issue a report on the utilization of this credit by December first, two thousand twenty-four. Such report shall include the number of productions that were awarded credits under this program and the amount of credits awarded under this program. The report shall include estimates of the impact to tourism related business activity in New York city and the state and local revenue impact of that activity. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

§ 6. Subdivision 5 of section 99-ll of the state finance law, as added by section 5 of subpart B of part PP of chapter 59 of the laws of 2021, is amended to read as follows:

5. The moneys in such fund shall be expended for the purpose of supplementing art and cultural grant programs [~~for secondary and elementary children, including programs that increase access to art and cultural programs and events for children in underserved communities~~] of the New York state council on the arts.

§ 7. Section 6 of subpart B of part PP of chapter 59 of the laws of 2021 amending the tax law and the state finance law relating to establishing the New York city musical and theatrical production tax credit and establishing the New York state council on the arts cultural program fund, is amended to read as follows:

§ 6. This act shall take effect immediately [~~and~~]; provided however, that section one, two, three and four of this act shall apply to taxable years beginning on or after January 1, 2021, and before January 1, 2024 and shall expire and be deemed repealed [~~on~~] January 1, 2024; provided further, however that the obligations under paragraph 3 of subdivision [~~g~~] (g) of section 24-c of the tax law, as added by section one of this act, shall remain in effect until December 31, 2025.

§ 8. This act shall take effect immediately; provided that the amendments to section 24-c of the tax law made by sections one, two, three, four and five of this act shall not affect the repeal of such section and shall be deemed repealed therewith.

PART G

Intentionally Omitted

PART H

Section 1. Paragraphs (a), (b) and (d) of subdivision 29 of section 210-B of the tax law, paragraph (a) and subparagraph 2 of paragraph (b) as amended by section 1 of part II of chapter 59 of the laws of 2021, paragraph (b) as amended by section 1 of part Q of chapter 59 of the laws of 2018, subparagraph 1 of paragraph (b) as amended by chapter 490

of the laws of 2019 and paragraph (d) as added by section 17 of part A of chapter 59 of the laws of 2014, are amended and a new paragraph (f) is added to read as follows:

(a) Allowance of credit. For taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand [~~twenty-three~~] twenty-six, a taxpayer shall be allowed a credit, to be computed as provided in this subdivision, against the tax imposed by this article, for hiring and employing, for not less than [~~one year and for not less than thirty-five hours each week~~] twelve continuous and uninterrupted months (hereinafter referred to as the twelve-month period) in a full-time or part-time position, a qualified veteran within the state. The taxpayer may claim the credit in the year in which the qualified veteran completes [~~one year~~] the twelve-month period of employment by the taxpayer. If the taxpayer claims the credit allowed under this subdivision, the taxpayer may not use the hiring of a qualified veteran that is the basis for this credit in the basis of any other credit allowed under this article.

(b) Qualified veteran. A qualified veteran is an individual:

(1) who served on active duty in the United States army, navy, air force, space force, marine corps, coast guard or the reserves thereof, or who served in active military service of the United States as a member of the army national guard, air national guard, New York guard or New York naval militia; who (i) was released from active duty by general or honorable discharge [~~after September eleventh, two thousand one~~], or (ii) has a qualifying condition, as defined in section three hundred fifty of the executive law, and has received a discharge other than bad conduct or dishonorable from such service [~~after September eleventh, two thousand one~~], or (iii) is a discharged LGBT veteran, as defined in section three hundred fifty of the executive law, and has received a discharge other than bad conduct or dishonorable from such service [~~after September eleventh, two thousand one~~];

(2) who commences employment by the qualified taxpayer on or after January first, two thousand fourteen, and before January first, two thousand [~~twenty-two~~] twenty-five; and

(3) who certifies by signed affidavit, under penalty of perjury, that he or she has not been employed for thirty-five or more hours during any week in the one hundred eighty day period immediately prior to his or her employment by the taxpayer.

(d) Amount of credit. The amount of the credit shall be [~~ten~~] fifteen percent of the total amount of wages paid to the qualified veteran during the veteran's first [~~full year~~] twelve-month period of employment. Provided, however, that[~~, if the qualified veteran is a disabled veteran, as defined in paragraph (b) of subdivision one of section eighty-five of the civil service law, the amount of the credit shall be fifteen percent of the total amount of wages paid to the qualified veteran during the veteran's first full year of employment. The~~] the credit allowed pursuant to this subdivision shall not exceed in any taxable year, [~~five~~] fifteen thousand dollars for any qualified veteran employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period and twenty thousand dollars for any qualified veteran if such qualified veteran is a disabled veteran, as defined pursuant to paragraph (b) of subdivision one of section eighty-five of the civil service law, and [~~fifteen thousand dollars for any qualified veteran who is a disabled veteran~~] seven thousand five hundred dollars for any qualified veteran employed in a part-time posi-

tion for at least one thousand forty hours but not more than one thousand eight hundred nineteen hours in one twelve-month period.

(f) Reporting requirement. The department shall issue a report on the utilization of this credit by January first, two thousand twenty-five. Such report shall include the number of taxpayers that claimed the credit annually and the total amount of credits awarded for each tax year through the period of the existence of the program for tax years for which final or preliminary data exist. The report shall not include any identifying information on the taxpayers that claimed the credit and the report shall include the number of taxpayers who claimed this credit notwithstanding any laws that would prevent the department from providing the number of taxpayers who claimed a credit due to tax secrecy provisions. The report shall also include information on steps taken by the department to inform employers of the existence of this credit and of any other actions taken to increase awareness of the availability of this credit. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

§ 2. Paragraphs 1, 2 and 4 of subsection (a-2) of section 606 of the tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by section 2 of part II of chapter 59 of the laws of 2021, paragraph 2 as amended by section 2 of part Q of chapter 59 of the laws of 2018, subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of 2019 and paragraph 4 as added by section 3 of part AA of chapter 59 of the laws of 2013, are amended and a new paragraph 6 is added to read as follows:

(1) Allowance of credit. For taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand [~~twenty-three~~] twenty-six, a taxpayer shall be allowed a credit, to be computed as provided in this subsection, against the tax imposed by this article, for hiring and employing, for not less than [~~one year and for not less than thirty-five hours each week~~] twelve continuous and uninterrupted months (hereinafter referred to as the twelve-month period) in a full-time or part-time position, a qualified veteran within the state. The taxpayer may claim the credit in the year in which the qualified veteran completes [~~one year~~] the twelve-month period of employment by the taxpayer. If the taxpayer claims the credit allowed under this subsection, the taxpayer may not use the hiring of a qualified veteran that is the basis for this credit in the basis of any other credit allowed under this article.

(2) Qualified veteran. A qualified veteran is an individual:

(A) who served on active duty in the United States army, navy, air force, space force, marine corps, coast guard or the reserves thereof, or who served in active military service of the United States as a member of the army national guard, air national guard, New York guard or New York naval militia; who (i) was released from active duty by general or honorable discharge [~~after September eleventh, two thousand one~~], or (ii) has a qualifying condition, as defined in section three hundred fifty of the executive law, and has received a discharge other than bad conduct or dishonorable from such service [~~after September eleventh, two thousand one~~], or (iii) is a discharged LGBT veteran, as defined in section three hundred fifty of the executive law, and has received a discharge other than bad conduct or dishonorable from such service [~~after September eleventh, two thousand one~~];

(B) who commences employment by the qualified taxpayer on or after January first, two thousand fourteen, and before January first, two thousand [~~twenty-two~~] twenty-five; and

(C) who certifies by signed affidavit, under penalty of perjury, that he or she has not been employed for thirty-five or more hours during any week in the one hundred eighty day period immediately prior to his or her employment by the taxpayer.

(4) Amount of credit. The amount of the credit shall be [~~ten~~] fifteen percent of the total amount of wages paid to [~~he~~] the qualified veteran during the veteran's first [~~full year~~] twelve-month period of employment. Provided, however, that[~~, if the qualified veteran is a disabled veteran, as defined in paragraph (b) of subdivision one of section eighty-five of the civil service law, the amount of the credit shall be fifteen percent of the total amount of wages paid to the qualified veteran during the veteran's first full year of employment. The~~] the credit allowed pursuant to this subsection shall not exceed in any taxable year, [~~five~~] fifteen thousand dollars for any qualified veteran employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period and twenty thousand dollars for any qualified veteran if the qualified veteran is a disabled veteran, as defined in paragraph (b) of subdivision one of section eighty-five of the civil service law and [~~fifteen thousand dollars for any qualified veteran who is a disabled veteran~~] seven thousand five hundred dollars for any qualified veteran employed in a part-time position for at least one thousand forty hours but not more than one thousand eight hundred nineteen hours in one twelve-month period.

(6) Reporting requirement. The department shall issue a report on the utilization of this credit by January first, two thousand twenty-five. Such report shall include the number of taxpayers that claimed the credit annually and the total amount of credits awarded for each tax year through the period of the existence of the program for tax years for which final or preliminary data exist. The report shall not include any identifying information on the taxpayers that claimed the credit and the report shall include the number of taxpayers who claimed this credit notwithstanding any laws that would prevent the department from providing the number of taxpayers who claimed a credit due to tax secrecy provisions. The report shall also include information on steps taken by the department to inform employers of the existence of this credit and of any other actions taken to increase awareness of the availability of this credit. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

§ 3. Paragraphs 1, 2 and 4 of subdivision (g-1) of section 1511 of the tax law, paragraph 1 and subparagraph (B) of paragraph 2 as amended by section 3 of part II of chapter 59 of the laws of 2021, paragraph 2 as amended by section 3 of part Q of chapter 59 of the laws of 2018, subparagraph (A) of paragraph 2 as amended by chapter 490 of the laws of 2019 and paragraph 4 as added by section 5 of part AA of chapter 59 of the laws of 2013, are amended and a new paragraph 6 is added to read as follows:

(1) Allowance of credit. For taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand [~~twenty-three~~] twenty-six, a taxpayer shall be allowed a credit, to be computed as provided in this subdivision, against the tax imposed by this article, for hiring and employing, for not less than [~~one year and for not less than thirty-five hours each week~~] twelve continuous and

uninterrupted months (hereinafter referred to as the twelve-month period) in a full-time or part-time position, a qualified veteran within the state. The taxpayer may claim the credit in the year in which the qualified veteran completes [~~one year~~] the twelve-month period of employment by the taxpayer. If the taxpayer claims the credit allowed under this subdivision, the taxpayer may not use the hiring of a qualified veteran that is the basis for this credit in the basis of any other credit allowed under this article.

(2) Qualified veteran. A qualified veteran is an individual:

(A) who served on active duty in the United States army, navy, air force, space force, marine corps, coast guard or the reserves thereof, or who served in active military service of the United States as a member of the army national guard, air national guard, New York guard or New York naval militia; who (i) was released from active duty by general or honorable discharge [~~after September eleventh, two thousand one~~], or (ii) has a qualifying condition, as defined in section three hundred fifty of the executive law, and has received a discharge other than bad conduct or dishonorable from such service [~~after September eleventh, two thousand one~~], or (iii) is a discharged LGBT veteran, as defined in section three hundred fifty of the executive law, and has received a discharge other than bad conduct or dishonorable from such service [~~after September eleventh, two thousand one~~];

(B) who commences employment by the qualified taxpayer on or after January first, two thousand fourteen, and before January first, two thousand [~~twenty-two~~] twenty-five; and

(C) who certifies by signed affidavit, under penalty of perjury, that he or she has not been employed for thirty-five or more hours during any week in the one hundred eighty day period immediately prior to his or her employment by the taxpayer.

(4) Amount of credit. The amount of the credit shall be [~~ten~~] fifteen percent of the total amount of wages paid to the qualified veteran during the veteran's first [~~full year~~] twelve-month period of employment. Provided, however, that[~~, if the qualified veteran is a disabled veteran, as defined in paragraph (b) of subdivision one of section eighty-five of the civil service law, the amount of the credit shall be fifteen percent of the total amount of wages paid to the qualified veteran during the veteran's first full year of employment. The~~] the credit allowed pursuant to this subdivision shall not exceed in any taxable year, [~~five~~] fifteen thousand dollars for any qualified veteran employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period and twenty thousand dollars for any qualified veteran if the qualified veteran is a disabled veteran, as defined in paragraph (b) of subdivision one of section eighty-five of the civil service law and [~~fifteen thousand dollars for any qualified veteran who is a disabled veteran~~] seven thousand five hundred dollars for any qualified veteran employed in a part-time position for at least one thousand forty hours but not more than one thousand eight hundred nineteen hours in one twelve-month period.

(6) Reporting requirement. The department shall issue a report on the utilization of this credit by January first, two thousand twenty-five. Such report shall include the number of taxpayers that claimed the credit annually and the total amount of credits awarded for each tax year through the period of the existence of the program for tax years for which final or preliminary data exist. The report shall not include any identifying information on the taxpayers that claimed the credit and the report shall include the number of taxpayers who claimed this credit

notwithstanding any laws that would prevent the department from providing the number of taxpayers who claimed a credit due to tax secrecy provisions. The report shall also include information on steps taken by the department to inform employers of the existence of this credit and of any other actions taken to increase awareness of the availability of this credit. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

§ 4. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2022.

PART I

Section 1. The tax law is amended by adding a new section 47 to read as follows:

§ 47. Grade no. 6 heating oil conversion tax credit. (a) (1) Allowance of credit. A taxpayer that meets the eligibility requirements of subdivision (b) of this section and is subject to tax under article nine-A or twenty-two of this chapter may be eligible to claim a grade no. 6 heating oil conversion tax credit in the taxable year the conversion is complete. The credit shall be equal to fifty percent of the conversion costs for all of the taxpayer's buildings paid by such taxpayer on or after January first, two thousand twenty-two and before July first, two thousand twenty-three. The credit cannot exceed five hundred thousand dollars per taxpayer.

(2) A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in a subchapter S corporation shall be allowed its pro rata share of the credit earned by the partnership, limited liability company or subchapter S corporation that meets the eligibility criteria described in subdivision (b) of this section to claim a grade no. 6 heating oil conversion tax credit. In no event may the total amount of the credit earned by the partnership, limited liability company or subchapter S corporation exceed five hundred thousand dollars.

(3) No cost or expense paid or incurred by the taxpayer that is included as part of the calculation of this credit shall be the basis of any other tax credit allowed under this chapter.

(b) Eligibility criteria. (1) To be eligible to claim a grade no. 6 heating oil conversion tax credit, a business entity must:

(i) incur expenses for the conversion from grade no. 6 heating oil fuel, as described as "conversion costs" in paragraph (1) of subdivision (c) of this section, to biodiesel heating oil or a geothermal system at any building located in New York state outside the city of New York;

(ii) submit an application to and obtain approval of such application by the New York state energy research and development authority describing the conversion and approved costs to complete such conversion;

(iii) not be principally engaged in the generation or distribution of electricity, power or energy;

(iv) be in compliance with all environmental conservation laws and regulations; and

(v) not owe past due state taxes unless the business entity is making payments and complying with an approved binding payment agreement entered into with the taxing authority.

(c) Definitions. As used in this section the following terms shall have the following meanings:

(1) Conversion costs means the equipment and labor costs associated with the design, installation and use of space heating and other energy conversion systems that are designed to or accommodate the use of biodiesel fuel or a geothermal system and, at the option of the taxpayer, the costs of completing an ASHRAE level 2 energy audit including assessment of electrification options.

(2) Biodiesel means a minimum blend of eighty-five (85) percent biodiesel, defined as fuel manufactured from vegetable oils, animal fats, or other agricultural or other products or by-products, with petrodiesel fuel commonly used for heating systems.

(3) Geothermal means a system that uses the ground or ground water as a thermal energy source/sink to heat or cool a building or provide hot water within the building.

(d) The commissioner, in consultation with the New York state energy research and development authority, will develop an application process to certify the expenses necessary for the conversion and a taxpayer will not be eligible to claim the credit unless it has completed that application process and the application has been approved by the New York state energy research and development authority.

(e) Information sharing. The department, the department of environmental conservation and the New York state energy research and development authority shall be allowed and are directed to share and exchange information regarding the information contained on the credit application for claiming the grade no. 6 heating oil conversion tax credit and such information exchanged between the department, the department of environmental conservation and the New York state energy research and development authority shall not be subject to disclosure or inspection under the state's freedom of information law.

(f) Cross references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9-A: section 210-B, subdivision 58;

(2) article 22: section 606, subsection (nnn).

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 58 to read as follows:

58. Grade no. 6 heating oil conversion tax credit. (a) Allowance of credit. A taxpayer will be allowed a credit, to be computed as provided in section forty-seven of this chapter, against the taxes imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for the taxable year will not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for the taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit not deductible in such taxable year will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest will be paid thereon.

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

(xlix) Grade no. 6 heating oil conversion tax credit under subsection (nnn)	Amount of credit under subdivision fifty-eight of section two hundred ten-B

§ 4. Section 606 of the tax law is amended by adding a new subsection (nnn) to read as follows:

(nnn) Grade no. 6 heating oil conversion tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-seven of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowed under this subsection for the taxable year exceeds the taxpayer's tax for such year, the excess will be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest will be paid thereon.

§ 5. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2022.

PART J

Section 1. Subdivision 4 of section 22 of the public housing law, as amended by section 2 of part GG of chapter 59 of the laws of 2021, is amended to read as follows:

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be one hundred [~~twenty~~] **twenty-seven** million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

§ 2. Subdivision 4 of section 22 of the public housing law, as amended by section 3 of part GG of chapter 59 of the laws of 2021, is amended to read as follows:

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be one hundred [~~twenty-eight~~] **forty-two** million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

§ 3. Subdivision 4 of section 22 of the public housing law, as amended by section 4 of part GG of chapter 59 of the laws of 2021, is amended to read as follows:

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be one hundred [~~thirty-six~~] **fifty-seven** million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner, and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

§ 4. Subdivision 4 of section 22 of the public housing law, as amended by section 5 of part GG of chapter 59 of the laws of 2021, is amended to read as follows:

4. Statewide limitation. The aggregate dollar amount of credit which the commissioner may allocate to eligible low-income buildings under this article shall be one hundred [~~forty-four~~] **seventy-two** million dollars. The limitation provided by this subdivision applies only to allocation of the aggregate dollar amount of credit by the commissioner,

and does not apply to allowance to a taxpayer of the credit with respect to an eligible low-income building for each year of the credit period.

§ 5. This act shall take effect immediately; provided, however, section one of this act shall take effect April 1, 2022; section two of this act shall take effect April 1, 2023; section three of this act shall take effect April 1, 2024; and section four of this act shall take effect April 1, 2025.

PART K

Section 1. Paragraph (a) of subdivision 25 of section 210-B of the tax law, as amended by section 1 of part R of chapter 59 of the laws of 2019, is amended to read as follows:

(a) General. A taxpayer shall be allowed a credit against the tax imposed by this article. Such credit, to be computed as hereinafter provided, shall be allowed for bioheating fuel, used for space heating or hot water production for residential purposes within this state purchased before January first, two thousand [~~twenty-three~~] twenty-six. Such credit shall be $0.01 per percent of biodiesel per gallon of bioheating fuel, not to exceed twenty cents per gallon, purchased by such taxpayer. Provided, however, that on or after January first, two thousand seventeen, this credit shall not apply to bioheating fuel that is less than six percent biodiesel per gallon of bioheating fuel.

§ 2. Paragraph 1 of subdivision (mm) of section 606 of the tax law, as amended by section 2 of part R of chapter 59 of the laws of 2019, is amended to read as follows:

(1) A taxpayer shall be allowed a credit against the tax imposed by this article. Such credit, to be computed as hereinafter provided, shall be allowed for bioheating fuel, used for space heating or hot water production for residential purposes within this state and purchased on or after July first, two thousand six and before July first, two thousand seven and on or after January first, two thousand eight and before January first, two thousand [~~twenty-three~~] twenty-six. Such credit shall be $0.01 per percent of biodiesel per gallon of bioheating fuel, not to exceed twenty cents per gallon, purchased by such taxpayer. Provided, however, that on or after January first, two thousand seventeen, this credit shall not apply to bioheating fuel that is less than six percent biodiesel per gallon of bioheating fuel.

§ 3. This act shall take effect immediately.

PART L

Section 1. Section 5 of chapter 604 of the laws of 2011 amending the tax law relating to the credit for companies who provide transportation to people with disabilities, as amended by section 1 of part K of chapter 60 of the laws of 2016, is amended to read as follows:

§ 5. This act shall take effect immediately and shall remain in effect until December 31, 2016 when upon such date it shall be deemed repealed; provided that this act shall be deemed to have been in full force and effect on December 31, 2010; provided further that this act shall apply to all tax years commencing on or after January 1, 2011; and provided further that sections one and two of this act shall remain in effect until December 31, [~~2022~~] 2028 when upon such date such sections shall be deemed repealed.

§ 1-a. Subsection (tt) of section 606 of the tax law, as added by chapter 604 of the laws of 2011, is amended to read as follows:

(tt) Credit for companies who provide transportation to individuals with disabilities. (1) Allowance and amount of credit. A taxpayer, who provides a taxicab service as defined in section one hundred forty-eight-a of the vehicle and traffic law, or a livery service as defined in section one hundred twenty-one-e of the vehicle and traffic law, shall be allowed a credit, to be computed as provided in this subsection, against the tax imposed by this article. The amount of the credit shall be equal to the incremental cost associated with upgrading a vehicle so that it is accessible by individuals with disabilities as defined in paragraph two of this subsection. Provided, however, that such credit shall not exceed ten thousand dollars per vehicle. For purposes of this subsection, purchases of new vehicles that are initially manufactured to be accessible for individuals with disabilities and for which there is no comparable make and model that does not include the equipment necessary to provide accessibility to individuals with disabilities, the credit shall be ten thousand dollars per vehicle. **For tax years beginning on or after January first, two thousand twenty-three, the credit for the purchase of new vehicles shall be five thousand dollars for a vehicle that is not an electric vehicle and ten thousand dollars for the purchase of new electric vehicles that are initially manufactured to be accessible for individuals with disabilities and for which there is no comparable make and model that does not include the equipment necessary to provide accessibility to individuals with disabilities.**

(2) [~~**Definition**~~] **Definitions**. The term "accessible by individuals with disabilities" shall, for the purposes of this subsection, refer to a vehicle that complies with federal regulations promulgated pursuant to the Americans with Disabilities Act applicable to vans under twenty-two feet in length, by the federal Department of Transportation, in Code of Federal Regulations, title 49, parts 37 and 38, and by the federal Architecture and Transportation Barriers Compliance Board, in Code of Federal Regulations, title 36, section 1192.23, and the Federal Motor Vehicle Safety Standards, Code of Federal Regulations, title 29, part 57. **The term "electric vehicles" shall have the same meaning as in section sixty-six-q of the public service law.**

(3) Application of credit. If the amount of the credit shall exceed the taxpayer's tax for such year the excess shall be carried over to the following year or years, and may be deducted from the taxpayer's tax for such year or years.

§ 2. Subdivision 38 of section 210-B of the tax law, as added by section 17 of part A of chapter 59 of the laws of 2014, paragraph (c) as amended by section 2 of part K of chapter 60 of the laws of 2016, is amended to read as follows:

38. Credit for companies who provide transportation to individuals with disabilities. (a) Allowance and amount of credit. A taxpayer, who provides a taxicab service as defined in section one hundred forty-eight-a of the vehicle and traffic law, or a livery service as defined in section one hundred twenty-one-e of the vehicle and traffic law, shall be allowed a credit, to be computed as provided in this subdivision, against the tax imposed by this article. The amount of the credit shall be equal to the incremental cost associated with upgrading a vehicle so that it is accessible by individuals with disabilities as defined in paragraph (b) of this subdivision. Provided, however, that such credit shall not exceed ten thousand dollars per vehicle. For purposes of this subdivision, purchases of new vehicles that are initially manufactured to be accessible for individuals with disabilities and for which

there is no comparable make and model that does not include the equipment necessary to provide accessibility to individuals with disabilities, the credit shall be ten thousand dollars per vehicle. **For tax years beginning on or after January first, two thousand twenty-three, the credit for the purchase of new vehicles shall be five thousand dollars for a vehicle that is not an electric vehicle and ten thousand dollars for the purchase of new electric vehicles that are initially manufactured to be accessible for individuals with disabilities and for which there is no comparable make and model that does not include the equipment necessary to provide accessibility to individuals with disabilities.**

(b) [~~**Definition**~~] **Definitions**. The term "accessible by individuals with disabilities" shall, for the purposes of this subdivision, refer to a vehicle that complies with federal regulations promulgated pursuant to the Americans with Disabilities Act applicable to vans under twenty-two feet in length, by the federal Department of Transportation, in Code of Federal Regulations, title 49, parts 37 and 38, and by the federal Architecture and Transportation Barriers Compliance Board, in Code of Federal Regulations, title 36, section 1192.23, and the Federal Motor Vehicle Safety Standards, Code of Federal Regulations, title 49, part 57. **The term "electric vehicles" shall have the same meaning as in section sixty-six-q of the public service law.**

(c) Application of credit. In no event shall the credit allowed under this subdivision for any taxable year reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be carried over to the following year or years, and may be deducted from the taxpayer's tax for such year or years. The tax credit allowed pursuant to this subdivision shall not apply to taxable years beginning on or after January first, two thousand [~~**twenty-three**~~] **twenty-nine**.

§ 3. This act shall take effect immediately; provided that the amendments to subsection (tt) of section 606 of the tax law made by section one-a of this act shall not affect the repeal of such subsection and shall be deemed repealed therewith.

PART M

Section 1. Paragraph 4 of subdivision (a) of section 24 of the tax law, as added by section 5 of part Q of chapter 57 of the laws of 2010, is amended to read as follows:

(4) **(i)** Notwithstanding the foregoing provisions of this subdivision, a qualified film production company or qualified independent film production company, that has applied for credit under the provisions of this section, agrees as a condition for the granting of the credit: [~~**(i)**~~] **(A)** to include in each qualified film distributed by DVD, or other media for the secondary market, a New York promotional video approved by the governor's office of motion picture and television development or to include in the end credits of each qualified film "Filmed With the Support of the New York State Governor's Office of Motion Picture and Television Development" and a logo provided by the governor's office of motion picture and television development, and [~~**(ii)**~~] **(B)** to certify that it will purchase taxable tangible property and services, defined as

qualified production costs pursuant to paragraph one of subdivision (b) of this section, only from companies registered to collect and remit state and local sales and use taxes pursuant to articles twenty-eight and twenty-nine of this chapter.

(ii) On or after January first, two thousand twenty-three, a qualified film production company or qualified independent film production company that has applied for credit under the provisions of this section shall, as a condition for the granting of the credit, file a diversity plan with the governor's office for motion picture and television development outlining specific goals for hiring a diverse workforce. The commissioner of economic development shall promulgate regulations implementing the requirements of this paragraph, which, notwithstanding any provisions to the contrary in the state administrative procedure act, may be adopted on an emergency basis, to ensure compliance with the provisions of this paragraph. The governor's office for motion picture and television development shall review each submitted plan as to whether it meets the requirements established by the commissioner of economic development, and shall verify that the applicant has met or made good-faith efforts in achieving these goals. The diversity plan also shall indicate whether the qualified film production company or qualified independent film production company that has applied for credit under the provisions of this section intends to participate in training, education, and recruitment programs that are designed to promote and encourage the training and hiring in the film and television industry of New York residents who represent the diversity of the State's population.

§ 2. Paragraph 5 of subdivision (a) of section 24 of the tax law, as amended by section 1 of part F of chapter 59 of the laws of 2021, is amended to read as follows:

(5) For the period two thousand fifteen through two thousand [~~twenty-six~~] **twenty-nine**, in addition to the amount of credit established in paragraph two of this subdivision, a taxpayer shall be allowed a credit equal to the product (or pro rata share of the product, in the case of a member of a partnership) of ten percent and the amount of wages or salaries paid to individuals directly employed (excluding those employed as writers, directors, music directors, producers and performers, including background actors with no scripted lines) by a qualified film production company or a qualified independent film production company for services performed by those individuals in one of the counties specified in this paragraph in connection with a qualified film with a minimum budget of five hundred thousand dollars. For purposes of this additional credit, the services must be performed in one or more of the following counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate amount of tax credits allowed pursuant to the authority of this paragraph shall be five million dollars each year during the period two thousand fifteen through two thousand [~~twenty-six~~] **twenty-nine** of the annual allocation made available to the program pursuant to paragraph four of subdivision (e) of this section. Such aggregate amount of credits shall be allocated by the governor's office for motion picture and television development among taxpayers in order of priority based upon the date of filing an application for allocation

of film production credit with such office. If the total amount of allocated credits applied for under this paragraph in any year exceeds the aggregate amount of tax credits allowed for such year under this paragraph, such excess shall be treated as having been applied for on the first day of the next year. If the total amount of allocated tax credits applied for under this paragraph at the conclusion of any year is less than five million dollars, the remainder shall be treated as part of the annual allocation made available to the program pursuant to paragraph four of subdivision (e) of this section. However, in no event may the total of the credits allocated under this paragraph and the credits allocated under paragraph five of subdivision (a) of section thirty-one of this article exceed five million dollars in any year during the period two thousand fifteen through two thousand [~~twenty-six~~] twenty-nine.

§ 3. Paragraph 4 of subdivision (e) of section 24 of the tax law, as amended by section 2 of part F of chapter 59 of the laws of 2021, is amended to read as follows:

(4) Additional pool 2 - The aggregate amount of tax credits allowed in subdivision (a) of this section shall be increased by an additional four hundred twenty million dollars in each year starting in two thousand ten through two thousand [~~twenty-six~~] twenty-nine provided however, seven million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in two thousand thirteen and two thousand fourteen, twenty-five million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in each year starting in two thousand fifteen through two thousand [~~twenty-six~~] twenty-nine and five million dollars of the annual allocation shall be made available for the television writers' and directors' fees and salaries credit pursuant to section twenty-four-b of this article in each year starting in two thousand twenty through two thousand [~~twenty-six~~] twenty-nine. This amount shall be allocated by the governor's office for motion picture and television development among taxpayers in accordance with subdivision (a) of this section. If the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film post production tax credit pursuant to section thirty-one of this article is insufficient to utilize the balance of unallocated empire state film post production tax credits from such pool, the remainder, after such pending applications are considered, shall be made available for allocation in the empire state film tax credit pursuant to this section, subdivision twenty of section two hundred ten-B and subsection (gg) of section six hundred six of this chapter. Also, if the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film post production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film production tax credit pursuant to this section is insufficient to utilize the balance of unallocated film production tax credits from such pool, then all or part of the remainder, after such pending applications are considered, shall be made available for allocation for the empire state film post production credit pursuant to this section, subdivision thirty-two of section two hundred ten-B and subsection (qq) of section six hundred six of this chapter. The governor's office for motion picture and television devel-

opment must notify taxpayers of their allocation year and include the allocation year on the certificate of tax credit. Taxpayers eligible to claim a credit must report the allocation year directly on their empire state film production credit tax form for each year a credit is claimed and include a copy of the certificate with their tax return. In the case of a qualified film that receives funds from additional pool 2, no empire state film production credit shall be claimed before the later of the taxable year the production of the qualified film is complete, or the taxable year immediately following the allocation year for which the film has been allocated credit by the governor's office for motion picture and television development.

§ 4. Paragraph 4 of subdivision (e) of section 24 of the tax law, as amended by section 3 of part F of chapter 59 of the laws of 2021, is amended to read as follows:

(4) Additional pool 2 - The aggregate amount of tax credits allowed in subdivision (a) of this section shall be increased by an additional four hundred twenty million dollars in each year starting in two thousand ten through two thousand [~~twenty-six~~] twenty-nine provided however, seven million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in two thousand thirteen and two thousand fourteen and twenty-five million dollars of the annual allocation shall be available for the empire state film post production credit pursuant to section thirty-one of this article in each year starting in two thousand fifteen through two thousand [~~twenty-six~~] twenty-nine. This amount shall be allocated by the governor's office for motion picture and television development among taxpayers in accordance with subdivision (a) of this section. If the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film post production tax credit pursuant to section thirty-one of this article is insufficient to utilize the balance of unallocated empire state film post production tax credits from such pool, the remainder, after such pending applications are considered, shall be made available for allocation in the empire state film tax credit pursuant to this section, subdivision twenty of section two hundred ten-B and subsection (gg) of section six hundred six of this chapter. Also, if the commissioner of economic development determines that the aggregate amount of tax credits available from additional pool 2 for the empire state film post production tax credit have been previously allocated, and determines that the pending applications from eligible applicants for the empire state film production tax credit pursuant to this section is insufficient to utilize the balance of unallocated film production tax credits from such pool, then all or part of the remainder, after such pending applications are considered, shall be made available for allocation for the empire state film post production credit pursuant to this section, subdivision thirty-two of section two hundred ten-B and subsection (qq) of section six hundred six of this chapter. The governor's office for motion picture and television development must notify taxpayers of their allocation year and include the allocation year on the certificate of tax credit. Taxpayers eligible to claim a credit must report the allocation year directly on their empire state film production credit tax form for each year a credit is claimed and include a copy of the certificate with their tax return. In the case of a qualified film that receives funds from additional pool 2, no

empire state film production credit shall be claimed before the later of the taxable year the production of the qualified film is complete, or the taxable year immediately following the allocation year for which the film has been allocated credit by the governor's office for motion picture and television development.

§ 5. Paragraph 1 of subdivision (f) of section 24 of the tax law, as added by section 2 of subpart A of part H of chapter 39 of the laws of 2019, is amended to read as follows:

(1) With regard to certificates of tax credit issued on or after January first, two thousand twenty, the commissioner of economic development shall reduce by one-quarter of one percent the amount of credit allowed to a taxpayer and this reduced amount shall be reported on a certificate of tax credit issued pursuant to this section and the regulations promulgated by the commissioner of economic development to implement this credit program. **Provided, however, for certificates of tax credit issued on or after January first, two thousand twenty-three, the amount of credit shall be reduced by one-half of one percent allowed to the taxpayer.**

§ 6. Paragraph 6 of subdivision (a) of section 31 of the tax law, as amended by section 4 of part F of chapter 59 of the laws of 2021, is amended to read as follows:

(6) For the period two thousand fifteen through two thousand [~~twenty-six~~] **twenty-nine**, in addition to the amount of credit established in paragraph two of this subdivision, a taxpayer shall be allowed a credit equal to the product (or pro rata share of the product, in the case of a member of a partnership) of ten percent and the amount of wages or salaries paid to individuals directly employed (excluding those employed as writers, directors, music directors, producers and performers, including background actors with no scripted lines) for services performed by those individuals in one of the counties specified in this paragraph in connection with the post production work on a qualified film with a minimum budget of five hundred thousand dollars at a qualified post production facility in one of the counties listed in this paragraph. For purposes of this additional credit, the services must be performed in one or more of the following counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or Yates. The aggregate amount of tax credits allowed pursuant to the authority of this paragraph shall be five million dollars each year during the period two thousand fifteen through two thousand [~~twenty-six~~] **twenty-nine** of the annual allocation made available to the empire state film post production credit pursuant to paragraph four of subdivision (e) of section twenty-four of this article. Such aggregate amount of credits shall be allocated by the governor's office for motion picture and television development among taxpayers in order of priority based upon the date of filing an application for allocation of post production credit with such office. If the total amount of allocated credits applied for under this paragraph in any year exceeds the aggregate amount of tax credits allowed for such year under this paragraph, such excess shall be treated as having been applied for on the first day of the next year. If the total amount of allocated tax credits applied for under this para-

graph at the conclusion of any year is less than five million dollars, the remainder shall be treated as part of the annual allocation for two thousand seventeen made available to the empire state film post production credit pursuant to paragraph four of subdivision (e) of section twenty-four of this article. However, in no event may the total of the credits allocated under this paragraph and the credits allocated under paragraph five of subdivision (a) of section twenty-four of this article exceed five million dollars in any year during the period two thousand fifteen through two thousand [~~twenty-six~~] twenty-nine.

§ 7. This act shall take effect immediately; provided, however that the amendments to paragraph 4 of subdivision (e) of section 24 of the tax law made by section three of this act shall take effect on the same date and in the same manner as section 5 of chapter 683 of the laws of 2019, as amended, takes effect.

PART N

Section 1. Subdivision (a) of section 25-a of the labor law, as amended by section 1 of subpart A of part N of chapter 59 of the laws of 2017, is amended to read as follows:

(a) The commissioner is authorized to establish and administer the program established under this section to provide tax incentives to employers for employing at risk youth in part-time and full-time positions. There will be ten distinct pools of tax incentives. Program one will cover tax incentives allocated for two thousand twelve and two thousand thirteen. Program two will cover tax incentives allocated in two thousand fourteen. Program three will cover tax incentives allocated in two thousand fifteen. Program four will cover tax incentives allocated in two thousand sixteen. Program five will cover tax incentives allocated in two thousand seventeen. Program six will cover tax incentives allocated in two thousand eighteen. Program seven will cover tax incentives allocated in two thousand nineteen. Program eight will cover tax incentives allocated in two thousand twenty. Program nine will cover tax incentives allocated in two thousand twenty-one. Program ten will cover tax incentives allocated in two thousand twenty-two. Program eleven will cover tax incentives allocated in two thousand twenty-three. Program twelve will cover tax incentives allocated in two thousand twenty-four. Program thirteen will cover tax incentives allocated in two thousand twenty-five. Program fourteen will cover tax incentives allocated in two thousand twenty-six. Program fifteen will cover tax incentives allocated in two thousand twenty-seven. The commissioner is authorized to allocate up to twenty-five million dollars of tax credits under program one, ten million dollars of tax credits under program two, twenty million dollars of tax credits under program three, fifty million dollars of tax credits under each of programs four and five, and forty million dollars of tax credits under programs six, seven, eight, nine [~~and~~], ten, eleven, twelve, thirteen, fourteen and fifteen.

§ 2. Paragraph 4 of subdivision (b) of section 25-a of the labor law, as added by section 1-a of subpart A of part N of chapter 59 of the laws of 2017, is amended to read as follows:

(4) For programs six, seven, eight, nine [~~and~~], ten, eleven, twelve, thirteen, fourteen, and fifteen the tax credit under each program shall be allocated as follows: (i) twenty million dollars of tax credit for qualified employees; and (ii) twenty million dollars of tax credit for individuals who meet all of the requirements for a qualified employee except for the residency requirement of subparagraph (ii) of paragraph

two of this subdivision, which individuals shall be deemed to meet the residency requirements of subparagraph (ii) of paragraph two of this subdivision if they reside in New York state.

§ 3. The opening paragraph of subdivision (d) of section 25-a of the labor law, as amended by section 2 of part R of chapter 59 of the laws of 2018, is amended to read as follows:

To participate in the program established under this section, an employer must submit an application (in a form prescribed by the commissioner) to the commissioner after January first, two thousand twelve but no later than November thirtieth, two thousand twelve for program one, after January first, two thousand fourteen but no later than November thirtieth, two thousand fourteen for program two, after January first, two thousand fifteen but no later than November thirtieth, two thousand fifteen for program three, after January first, two thousand sixteen but no later than November thirtieth, two thousand sixteen for program four, after January first, two thousand seventeen but no later than November thirtieth, two thousand seventeen for program five, after January first, two thousand eighteen but no later than November thirtieth, two thousand eighteen for program six, after January first, two thousand nineteen but no later than November thirtieth, two thousand nineteen for program seven, after January first, two thousand twenty but no later than November thirtieth, two thousand twenty for program eight, after January first, two thousand twenty-one but no later than November thirtieth, two thousand twenty-one for program nine, [~~and~~] after January first, two thousand twenty-two but no later than November thirtieth, two thousand twenty-two for program ten**, after January first, two thousand twenty-three but no later than November thirtieth, two thousand twenty-three for program eleven, after January first, two thousand twenty-four but no later than November thirtieth, two thousand twenty-four for program twelve, after January first, two thousand twenty-five but no later than November thirtieth, two thousand twenty-five for program thirteen, after January first, two thousand twenty-six but no later than November thirtieth, two thousand twenty-six for program fourteen, and after January first, two thousand twenty-seven but no later than November thirtieth, two thousand twenty-seven for program fifteen**. The qualified employees must start their employment on or after January first, two thousand twelve but no later than December thirty-first, two thousand twelve for program one, on or after January first, two thousand fourteen but no later than December thirty-first, two thousand fourteen for program two, on or after January first, two thousand fifteen but no later than December thirty-first, two thousand fifteen for program three, on or after January first, two thousand sixteen but no later than December thirty-first, two thousand sixteen for program four, on or after January first, two thousand seventeen but no later than December thirty-first, two thousand seventeen for program five, on or after January first, two thousand eighteen but no later than December thirty-first, two thousand eighteen for program six, on or after January first, two thousand nineteen but no later than December thirty-first, two thousand nineteen for program seven, on or after January first, two thousand twenty but no later than December thirty-first, two thousand twenty for program eight, on or after January first, two thousand twenty-one but no later than December thirty-first, two thousand twenty-one for program nine, [~~and~~] on or after January first, two thousand twenty-two but no later than December thirty-first, two thousand twenty-two for program ten**, on or after January first, two thousand twenty-three but no later than December thirty-first, two thousand three for program eleven, on or after**

January first, two thousand twenty-four but no later than December thirty-first, two thousand twenty-four for program twelve, on or after January first, two thousand twenty-five but no later than December thirty-first, two thousand twenty-five for program thirteen, on or after January first, two thousand twenty-six but no later than December thirty-first, two thousand twenty-six for program fourteen, and on or after January first, two thousand twenty-seven but no later than December thirty-first, two thousand twenty-seven for program fifteen. As part of such application, an employer must:

§ 4. This act shall take effect immediately.

PART O

Section 1. Subdivision (a) of section 25-c of the labor law, as added by section 1 of subpart B of part N of chapter 59 of the laws of 2017, is amended to read as follows:

(a) The commissioner is authorized to establish and administer the empire state apprenticeship tax credit program to provide tax incentives to certified employers for employing qualified apprentices pursuant to an apprenticeship agreement registered with the department pursuant to paragraph (d) of subdivision one of section eight hundred eleven of this chapter. The commissioner is authorized to allocate up to ten million dollars of tax credits annually, beginning in two thousand eighteen and ending before two thousand [~~twenty-three~~] twenty-eight. Any unused annual allocation of the credit shall be made available in each of the subsequent years before two thousand [~~twenty-three~~] twenty-eight.

§ 2. This act shall take effect immediately.

PART P

Section 1. Subdivision 6 of section 187-b of the tax law, as amended by section 1 of part O of chapter 59 of the laws of 2017, is renumbered subdivision 7 and amended and a new subdivision 6 is added to read as follows:

6. Reporting requirement. The department shall issue a report on the utilization of this credit by January first, two thousand twenty-five. Such report shall include the number of taxpayers that claimed the credit annually, the total amount of credits awarded, and the amount of credits recaptured and number of taxpayers from whom credits were recaptured for each tax year through the period of the existence of the program for tax years for which final or preliminary data exist. The report shall not include any identifying information on the taxpayers that claimed the credit and the report shall include the number of taxpayers who claimed this credit notwithstanding any laws that would prevent the department from providing the number of taxpayers who claimed a credit due to tax secrecy provisions. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

7. Termination. The credit allowed by subdivision two of this section shall not apply in taxable years beginning after December thirty-first, two thousand [~~twenty-two~~] twenty-five.

§ 2. Paragraph (f) of subdivision 30 of section 210-B of the tax law, as amended by section 2 of part O of chapter 59 of the laws of 2017, is reletttered paragraph (g) and amended and a new paragraph (f) is added to read as follows:

(f) Reporting requirement. The department shall issue a report on the utilization of this credit by January first, two thousand twenty-five. Such report shall include the number of taxpayers that claimed the credit annually, the total amount of credits awarded, and the amount of credits recaptured and number of taxpayers from whom credits were recaptured for each tax year through the period of the existence of the program for tax years for which final or preliminary data exist. The report shall not include any identifying information on the taxpayers that claimed the credit and the report shall include the number of taxpayers who claimed this credit notwithstanding any laws that would prevent the department from providing the number of taxpayers who claimed a credit due to tax secrecy provisions. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

(g) Termination. The credit allowed by paragraph (b) of this subdivision shall not apply in taxable years beginning after December thirty-first, two thousand [~~twenty-two~~] twenty-five.

§ 3. Paragraph 6 of subsection (p) of section 606 of the tax law, as amended by section 3 of part O of chapter 59 of the laws of 2017, is renumbered paragraph 7 and amended and a new paragraph 6 is added to read as follows:

(6) Reporting requirement. The department shall issue a report on the utilization of this credit by January first, two thousand twenty-five. Such report shall include the number of taxpayers that claimed the credit annually, the total amount of credits awarded, and the amount of credits recaptured and number of taxpayers from whom credits were recaptured for each tax year through the period of the existence of the program for tax years for which final or preliminary data exist. The report shall not include any identifying information on the taxpayers that claimed the credit and the report shall include the number of taxpayers who claimed this credit notwithstanding any laws that would prevent the department from providing the number of taxpayers who claimed a credit due to tax secrecy provisions. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

(7) Termination. The credit allowed by this subsection shall not apply in taxable years beginning after December thirty-first, two thousand [~~twenty-two~~] twenty-five.

§ 4. This act shall take effect immediately.

PART Q

Section 1. Section 5 of part MM of chapter 59 of the laws of 2014 amending the labor law and the tax law relating to the creation of the workers with disabilities tax credit program, as amended by section 1 of part E of chapter 59 of the laws of 2019, is amended to read as follows:

§ 5. This act shall take effect January 1, 2015, and shall apply to taxable years beginning on and after that date[~~; provided, however, that this act shall expire and be deemed repealed January 1, 2023~~].

§ 2. Section 25-b of the labor law is amended by adding two new subdivisions (f) and (g) to read as follows:

(f) The department, with the assistance of the department of taxation and finance, shall issue a report by January first, two thousand twenty-five, on the utilization of this credit. The report shall include

information on the number of final certificates issued pursuant to subdivision (e) of this section per tax year for which final or preliminary data exists. The report shall also include aggregate data on the number of qualified employers, claimed employees, and the amounts of final credits allowed that were included in the final certificates issued per tax year. No identifying information, such as a qualified employer's name, employer identification number, business address, or the social security numbers of claimed employees, shall be included in this report. The report shall be posted publicly on the department's website and copies shall be delivered to the governor, the speaker of the assembly, and the temporary president of the senate.

(g) The tax credits provided under this program shall be applicable to taxable periods beginning before January first, two thousand twenty-six.

§ 3. This act shall take effect immediately.

PART R

Intentionally Omitted

PART S

Intentionally Omitted

PART T

Section 1. Legislative findings and declarations. The legislature hereby finds that commercial tugboat, barge and other commercial towboat operators are subject to the petroleum business tax when their vessels are used in commercial tugboat, barge and other commercial towboat operations. The legislature further finds that such commercial tugboat, barge and other commercial towboat operators endure an administrative and unexpected financial burden as a result of such law that is not warranted by the minimal amounts to be collected from the commercial tugboat, barge and other commercial towboat operators under such law, as determined by the state of New York.

The legislature, therefore, declares that it is in the best interest of the commercial tugboat, barge and other commercial towboat industry of the state of New York to exempt the commercial tugboat, barge and other commercial towboat industry from this tax.

§ 2. Paragraph 2 of subdivision (b) of section 301-a of the tax law, as added by section 154 of part A of chapter 389 of the laws of 1997, is amended to read as follows:

(2) Motor fuel brought into this state in the fuel tank connecting with the engine of a vessel propelled by the use of such motor fuel shall be deemed to constitute a taxable use of motor fuel for the purposes of this subdivision to the extent that the fuel is consumed in the operation of the vessel in this state. Provided, however, that this paragraph shall not apply to (i) a recreational motor boat or (ii) subsequent to August thirty-first, nineteen hundred ninety-four, a commercial fishing vessel (as defined in subdivision (j) of section three hundred of this article) if the motor fuel imported and consumed in this state is used to operate such vessel while it is engaged in the harvesting of fish for sale or (iii) subsequent to August thirty-first, two thousand twenty-two, a commercial tugboat, barge or other commercial

towboat operator if the motor fuel imported and consumed in this state is used to operate vessels of such operators while such operator is engaged in commercial tugboat, barge or other commercial towboat operations in the state. Provided, further, that tax liability for gallonage that a vessel consumes shall be the tax liability with respect to the positive difference between the gallonage consumed in this state during the reporting period and the gallonage purchased in this state (upon which the tax imposed by this section has been paid) during such period. A credit or refund shall be available for any excess of tax liability for gallonage purchased in this state during the period over tax liability on gallonage so consumed in this state during such period, which excess shall be presumed to have been used outside this state.

§ 3. Subparagraph (B) of paragraph 1 of subdivision (c) of section 301-a of the tax law, as amended by section 19 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(B) Highway diesel motor fuel brought into this state in the fuel tank connecting with the engine of a vessel propelled by the use of such diesel motor fuel shall be deemed to constitute a taxable use of diesel motor fuel for the purpose of this paragraph to the extent of the fuel that is consumed in the operation of the vessel in this state. Provided, however, this paragraph shall not apply to (i) a recreational motor boat or (ii) a commercial fishing vessel (as defined in subdivision (j) of section three hundred of this article) if the highway diesel motor fuel imported into and consumed in this state is used to operate such commercial fishing vessel while it is engaged in the harvesting of fish for sale or (iii) subsequent to August thirty-first, two thousand twenty-two, a commercial tugboat, barge or other commercial towboat operator if the highway diesel motor fuel imported and consumed in this state is used to operate vessels of such operator while such operator is engaged in commercial tugboat, barge or other commercial towboat operations in this state. Provided, further, that tax liability for gallonage that a vessel consumes in this state shall be the tax liability with respect to the positive difference between the gallonage consumed in this state during the reporting period and the gallonage purchased in this state (upon which the tax imposed by this section has been paid) during such period. A credit or refund shall be available for any excess of tax liability for gallonage purchased in this state during the period over tax liability on gallonage so consumed in this state during such period, which excess shall be presumed to have been used outside this state.

§ 4. Section 301-b of the tax law is amended by adding a new subdivision (j) to read as follows:

(j) Exemption for commercial tugboat, barge, or other commercial towboat operators. A use by a commercial tugboat, barge, or other commercial towboat operator of non-highway diesel motor fuel or residual petroleum product where such non-highway diesel motor fuel or residual petroleum product was used and consumed by a commercial tugboat, barge, or other commercial towboat operator in commercial tugboat, barge, or other commercial towboat operations in the state.

§ 5. This act shall take effect August 31, 2022.

PART U

Intentionally Omitted

PART V

Intentionally Omitted

PART W

Section 1. Paragraph 1 of subsection (a) of section 671 of the tax law, as amended by chapter 760 of the laws of 1992, is amended to read as follows:

(1) Every employer maintaining an office or transacting business within this state and making payment of any wages taxable under this article shall deduct and withhold from such wages for each payroll period a tax computed in such manner as to result, so far as practicable, in withholding from the employee's wages during each calendar year an amount substantially equivalent to the tax reasonably estimated to be due under this article resulting from the inclusion in the employee's New York adjusted gross income or New York source income of [~~his~~] **the employee's** wages received during such calendar year. The method of determining the amount to be withheld shall be prescribed by [~~regulations of~~] the commissioner, with due regard to the New York withholding exemptions of the employee and the sum of any credits allowable against [~~his~~] **the employee's** tax. **The commissioner shall publish any changes to such method of determining the amount of tax to be withheld on the website of the department of taxation and finance. The commissioner shall also cause notice of such changes to be published in the section for miscellaneous notices in the state register and shall give other appropriate general notice of such changes.**

§ 2. Paragraph 6 of subsection (j) of section 697 of the tax law, as amended by chapter 61 of the laws of 1989, is amended to read as follows:

(6) Publication of interest rates. The commissioner of taxation and finance **shall publish the interest rates set under this subsection on the website of the department of taxation and finance. Immediately following such publication, the commissioner** shall cause **such interest rates** to be published in the section for miscellaneous notices in the state register[~~,~~] and give other appropriate general notice of[~~, the~~] **such** interest rates [~~to be set under this subsection no later than twenty days preceding the first day of the calendar quarter during which such interest rates apply~~]. The setting and publication of such interest rates shall not be included within paragraph (a) of subdivision two of section one hundred two of the state administrative procedure act relating to the definition of a rule.

§ 3. Paragraph 5 of subsection (e) of section 1096 of the tax law, as amended by chapter 61 of the laws of 1989, is amended to read as follows:

(5) Publication of interest rates. The commissioner of taxation and finance shall **publish the interest rates set under this subsection on the website of the department of taxation and finance. Immediately following such publication, the commissioner shall** cause **such interest rates** to be published in the section for miscellaneous notices in the state register[~~,~~] and give other appropriate general notice of[~~, the~~] **such** interest rates [~~to be set under this subsection no later than twenty days preceding the first day of the calendar quarter during which such interest rates apply~~]. The setting and publication of such interest rates shall not be included within paragraph (a) of subdivision two of section one hundred two of the state administrative procedure act relating to the definition of a rule.

§ 4. This act shall take effect immediately.

PART X

Section 1. Paragraph (c) of subdivision 1 of section 1701 of the tax law, as added by section 1 of part CC-1 of chapter 57 of the laws of 2008, is amended to read as follows:

(c) "Financial institution" means **(i)** any financial institution authorized or required to participate in a financial institution data match system or program for child support enforcement purposes under federal or state law**, and (ii) any virtual currency business licensed by the superintendent of financial services**.

§ 2. This act shall take effect immediately.

PART Y

Section 1. Section 4 of chapter 475 of the laws of 2013, relating to assessment ceilings for local public utility mass real property, as amended by section 1 of part G of chapter 59 of the laws of 2018, is amended to read as follows:

§ 4. This act shall take effect on the first of January of the second calendar year commencing after this act shall have become a law and shall apply to assessment rolls with taxable status dates on or after such date; provided, however, that this act shall expire and be deemed repealed [~~eight~~] **twelve** years after such effective date; and provided, further, that no assessment of local public utility mass real property appearing on the municipal assessment roll with a taxable status date occurring in the first calendar year after this act shall have become a law shall be less than ninety percent or more than one hundred ten percent of the assessment of the same property on the date this act shall have become a law.

§ 2. Subdivision 4 of section 499-pppp of the real property tax law, as added by chapter 475 of the laws of 2013, is amended to read as follows:

4. Any final determination of an assessment ceiling by the commissioner pursuant to subdivision one of this section shall be subject to judicial challenge by an owner of local public utility mass real property or a local assessing jurisdiction in a proceeding under article seven of this chapter; provided however, the time to commence such proceeding shall be within sixty days of the issuance of the final assessment ceiling certificate and all questions of fact and law shall be determined de novo. Any judicial proceeding shall be commenced in the supreme court in the county of Albany or the county agreed upon by the parties in which the local public utility mass real property is located. Nothing in this section shall preclude a challenge of the assessed value established by a local assessing jurisdiction with respect to local public utility mass real property as otherwise provided in article seven of this chapter**, provided however that upon motion of the local assessing jurisdiction, such challenge shall be consolidated with the challenge to the final assessment ceiling commenced pursuant to this subdivision and litigated in the venue specified by this subdivision**. In any proceeding challenging an assessed value established by a local assessing jurisdiction for local public utility mass real property, the final certified assessment ceiling established pursuant to subdivision one of this section [~~shall not~~]**, and the evidence submitted in connection therewith, may** be considered by the court **when determining the merits of the challenge to the**

assessed value established by the assessing unit. In such a proceeding, the local assessing jurisdiction, upon request to the local public utility mass real property owner, shall be provided with a copy of the annual report provided to the commissioner under section four hundred ninety-nine-rrrr of this title. If the local public utility mass real property owner fails to provide the report within thirty days of such a request, the proceeding shall be dismissed.

§ 3. This act shall take effect immediately, provided, however, that the amendments to subdivision 4 of section 499-pppp of the real property tax law made by section two of this act shall not affect the repeal of such subdivision and shall be deemed to be repealed therewith.

PART Z

Section 1. This Part enacts into law major components of legislation relating to the administration of the STAR program authorized by section 425 of the real property tax law and subsection (eee) of section 606 of the tax law. Each component is wholly contained within a Subpart identified as Subparts A through E. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes reference to a section of "this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section two contains a severability clause for all provisions contained in each Subpart of this Part. Section three of this act sets forth the general effective date of this Part.

SUBPART A

Section 1. Paragraph (a-2) of subdivision 6 of section 425 of the real property tax law, as amended by section 1 of part TT of chapter 59 of the laws of 2019, is amended to read as follows:

(a-2) Notwithstanding any provision of law to the contrary, where an application for the "enhanced" STAR exemption authorized by subdivision four of this section has not been filed on or before the taxable status date, and the owner believes that good cause existed for the failure to file the application by that date, the owner may, no later than the last day for paying school taxes without incurring interest or penalty, submit a written request to the commissioner asking him or her to extend the filing deadline and grant the exemption. Such request shall contain an explanation of why the deadline was missed, and shall be accompanied by an application, reflecting the facts and circumstances as they existed on the taxable status date. After consulting with the assessor, the commissioner may extend the filing deadline and grant the exemption if the commissioner is satisfied that (i) good cause existed for the failure to file the application by the taxable status date, and that (ii) the applicant is otherwise entitled to the exemption. The commissioner shall mail notice of his or her determination to such owner and the assessor. If the determination states that the commissioner has granted the exemption, the assessor shall thereupon be authorized and directed to correct the assessment roll accordingly, or, if another person has custody or control of the assessment roll, to direct that person to make the appropriate corrections. [~~If the correction is not made before school taxes are levied, the school district authorities~~

~~shall be authorized and directed to take account of the fact that the commissioner has granted the exemption by correcting the applicant's tax bill and/or issuing a refund accordingly~~] Provided, however, that if the assessment roll cannot be corrected in time for the exemption to appear on the applicant's school tax bill, the commissioner shall be authorized to remit directly to the applicant the tax savings that the STAR exemption would have yielded if it had appeared on the applicant's tax bill. The amounts so payable shall be paid from the account established for the payment of STAR benefits to late registrants pursuant to subparagraph (iii) of paragraph (a) of subdivision fourteen of this section.

§ 2. This act shall take effect immediately.

SUBPART B

Intentionally Omitted

SUBPART C

Section 1. Subparagraph (A) of paragraph 3 of subsection (eee) of section 606 of the tax law, as amended by section 2 of part RR of chapter 59 of the laws of 2019, is amended to read as follows:

(A) Beginning with taxable years after two thousand fifteen, a basic STAR credit shall be available to a qualified taxpayer if the affiliated income of the parcel that serves as the taxpayer's primary residence is less than or equal to five hundred thousand dollars for the applicable income tax year specified by paragraph (b-1) of subdivision three of section four hundred twenty-five of the real property tax law. The income limit established for the basic STAR exemption by paragraph (b-1) of subdivision three of section four hundred twenty-five of the real property tax law shall not be taken into account when determining eligibility for the basic STAR credit.

§ 2. This act shall take effect immediately.

SUBPART D

Section 1. Subparagraph (B) of paragraph 7 of subsection (eee) of section 606 of the tax law, as amended by section 7 of part E of chapter 59 of the laws of 2018, is amended to read as follows:

(B) Notwithstanding any provision of law to the contrary, the names and addresses of individuals who have applied for or are receiving the credit authorized by this subsection may be disclosed to assessors, county directors of real property tax services, and municipal tax collecting officers within New York state. In addition, [~~where an agreement is in place between the commissioner and the head of the tax department of another state, such information may be disclosed to such official or his or her designees~~] such information may be exchanged with assessors and tax officials from jurisdictions outside New York state if the laws of the other jurisdiction allow it to provide similar information to this state. Such information shall be considered confidential and shall not be subject to further disclosure pursuant to the freedom of information law or otherwise.

§ 2. This act shall take effect immediately.

SUBPART E

Section 1. Subsection (c) of section 651 of the tax law, as amended by section 3 of part QQ of chapter 59 of the laws of 2019, is amended to read as follows:

(c) Decedents. The return for any deceased individual shall be made and filed by [~~his~~] the decedent's executor, administrator, or other person charged with [~~his~~] the decedent's property. If a final return of a decedent is for a fractional part of a year, the due date of such return shall be the fifteenth day of the fourth month following the close of the twelve-month period which began with the first day of such fractional part of the year. Notwithstanding any provision of law to the contrary, when a return has been filed for a decedent, the commissioner may disclose the decedent's name, address, and the date of death to the director of real property tax services of the county and the assessor of the assessing unit in which the address reported on such return is located.

§ 2. Paragraph (a) of subdivision 1 of section 1125 of the real property tax law, as amended by chapter 415 of the laws of 2006, is amended to read as follows:

(a) Parties entitled to notice. The enforcing officer shall on or before the date of the first publication of the notice above set forth cause a notice to be mailed to (i) each owner and any other person whose right, title, or interest was a matter of public record as of the date the list of delinquent taxes was filed, which right, title or interest will be affected by the termination of the redemption period, and whose name and address are reasonably ascertainable from the public record, including the records in the offices of the surrogate of the county, or from material submitted to the enforcing officer pursuant to paragraph (d) of this subdivision, (ii) any other person who has filed a declaration of interest pursuant to section eleven hundred twenty-six of this title which has not expired, [~~and~~] (iii) where a posthumous declaration of interest has been filed pursuant to section eleven hundred twenty-six-a of this title, the person specified thereon as the person to be informed when taxes are owed on the property, and (iv) the enforcing officer of any other tax district having a right to enforce the payment of a tax imposed upon any of the parcels described upon such petition. Nothing contained herein shall be construed as making any such person a party to the proceeding or as making any such person personally liable for the taxes or other legal charges due thereon.

§ 3. The real property tax law is amended by adding a new section 1126-a to read as follows:

§ 1126-a. Posthumous declaration of interest. 1. Upon the death of an owner of real property, a personal representative of the decedent's estate or a successor in interest of the decedent may file a posthumous declaration of interest with the enforcing officer on a form prescribed by the commissioner. Such form shall be notarized and include information confirming the status of an individual as a representative of the decedent's estate or a successor in interest, as prescribed by the commissioner. Such posthumous declaration shall provide the decedent's name and date of death, a description of the property the decedent had owned, and the name and address of a person to be informed when taxes are owed on that property. Thereafter, in addition to any other notification requirements that may apply, the enforcing officer shall cause any notices required by this article to be mailed to such person at the address so provided until such time as the acquisition of title by the decedent's successor or successors in interest has become a matter of public record, or the declaration is revoked or modified. The enforcing

officer shall provide copies of any declarations so filed to the assessor, tax collecting officer and county director of real property tax services within fifteen days of receipt, or as soon thereafter as is practicable.

2. If no posthumous declaration of interest has been filed, a delinquent tax lien may be foreclosed by a proceeding in rem as otherwise provided by this article, notwithstanding the fact that the property owner has died. In such cases, the enforcing officer shall not be obliged to obtain in personam jurisdiction over a personal representative of the decedent's estate; provided, however, that nothing contained herein shall be construed to relieve the enforcing officer of the obligation to cause a notice to be mailed to any persons whose interests in the property are reasonably ascertainable from the records of the surrogate of the county, as provided by subparagraph (i) of paragraph (a) of subdivision one of section eleven hundred twenty-five of this title.

§ 4. This act shall take effect immediately.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or subpart contained in any part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or subpart contained in any part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately, provided, however, that the applicable effective date of Subparts A through E of this act shall be as specifically set forth in the last section of such Subparts.

PART AA

Intentionally Omitted

PART BB

Section 1. The subsection heading and paragraphs 1, 2, 3, and 4 of subsection (n-1) of section 606 of the tax law, as added by section 1 of subpart B of part C of chapter 20 of the laws of 2015, the opening paragraph of subparagraph (a) of paragraph 2 as amended by section 7 of part A of chapter 60 of the laws of 2016, are amended to read as follows:

[~~Property tax relief~~] Homeowner tax rebate credit. (1) An individual taxpayer who meets the eligibility standards in paragraph two of this subsection shall be allowed a credit against the taxes imposed by this article in the amount specified in paragraph three of this subsection for tax [~~years two thousand sixteen, two thousand seventeen, two thousand eighteen, and two thousand nineteen~~] year two thousand twenty-two.

(2) (a) To be eligible for the credit, the taxpayer (or taxpayers filing joint returns) on the personal income tax return filed for the taxable year two years prior, must have (i) been a resident, (ii) owned and primarily resided in real property receiving either the STAR exemption authorized by section four hundred twenty-five of the real property tax law or the school tax relief credit authorized by subsection (eee) of this section, and (iii) had qualified gross income

no greater than two hundred [~~seventy-five~~] fifty thousand dollars. [~~Provided, however, that no credit shall be allowed if any of the following apply:~~

~~(i) Such property is located in an independent school district that is subject to the provisions of section two thousand twenty-three-a of the education law and that has adopted a budget in excess of the tax levy limit prescribed by that section. To render its taxpayers eligible for the credit authorized by this subsection, the school district must certify its compliance with such tax levy limit in the manner prescribed by subdivision two of section two thousand twenty-three-b of the education law.~~

~~(ii) Such property is located in a city with a dependent school district that is subject to the provisions of section three-c of the general municipal law and that has adopted a budget in excess of the tax levy limit prescribed by that section. To render its taxpayers eligible for the credit authorized by this subsection, the city must certify its compliance with such tax levy limit in the manner prescribed by subdivision two of section three-d of the general municipal law.~~

~~(iii) Such property is located in the city of New York.~~]

(3) Amount of credit. (a) [~~For the two thousand sixteen taxable year (i) for a taxpayer residing in real property located within the metropolitan commuter transportation district (MCTD) and outside the city of New York, the amount of the credit shall be $130; (ii) for a taxpayer residing in real property located outside the MCTD, the amount of the credit shall be $185.~~

~~(b) For the two thousand seventeen, two thousand eighteen and two thousand nineteen taxable years (i)~~] For a taxpayer who owned and primarily resided in real property receiving the basic STAR exemption **or who received the basic STAR credit**, the amount of the credit shall equal the STAR tax savings associated with such basic STAR exemption **in the two thousand twenty-one--two thousand twenty-two school year**, multiplied by the following percentage:

[~~(A) for the two thousand seventeen taxable year:~~

~~Qualified Gross Income~~	~~Percentage~~
~~Not over $75,000~~	~~28%~~
~~Over $75,000 but not over $150,000~~	~~20.5%~~
~~Over $150,000 but not over $200,000~~	~~13%~~
~~Over $200,000 but not over $275,000~~	~~5.5%~~
~~Over $275,000~~	~~No credit~~

~~(B) for the two thousand eighteen taxable year:~~

~~Qualified Gross Income~~	~~Percentage~~
~~Not over $75,000~~	~~60%~~
~~Over $75,000 but not over $150,000~~	~~42.5%~~
~~Over $150,000 but not over $200,000~~	~~25%~~
~~Over $200,000 but not over $275,000~~	~~7.5%~~
~~Over $275,000~~	~~No credit~~

~~(C) for the two thousand nineteen taxable year:~~]

(i) For a taxpayer whose primary residence is located outside the city of New York:

Qualified Gross Income	Percentage
Not over $75,000	[~~85%~~] **163%**
Over $75,000 but not over $150,000	[~~60%~~] **115%**
Over $150,000 but not over $200,000	[~~35%~~] **66%**
Over $200,000 but not over [~~$275,000~~] **$250,000**	[~~10%~~] **18%**
Over [~~$275,000~~] **$250,000**	No credit

(ii) For a taxpayer whose primary residence is located within the city of New York:

Qualified Gross Income	Percentage
Not over $75,000	186%
Over $75,000 but not over $150,000	131%
Over $150,000 but not over $200,000	75%
Over $200,000 but not over $250,000	34%
Over $250,000	No credit

[~~(c)~~] (b) For a taxpayer who owned and primarily resided in real property receiving the enhanced STAR exemption or who received the enhanced STAR credit, the amount of the credit shall equal the STAR tax savings associated with such enhanced STAR exemption in the two thousand twenty-one--two thousand twenty-two school year, multiplied by [~~the following percentage:~~

~~Taxable Year~~	~~Percentage~~
~~two thousand seventeen~~	~~12%~~
~~two thousand eighteen~~	~~26%~~
~~two thousand nineteen~~	~~34%~~

] sixty-six percent if the taxpayer's primary residence is located outside the city of New York, or seventy-one percent if the taxpayer's primary residence is located within the city of New York.

[~~(d)~~] (c) In no case may the amount of the credit allowed under this subsection exceed the school district taxes due with respect to the residence for that school year, nor shall any credit be allowed under this subsection if the amount determined pursuant to this paragraph is less than one hundred dollars.

(4) For purposes of this subsection:

(a) "Qualified gross income" means the adjusted gross income of the qualified taxpayer for the taxable year as reported for federal income tax purposes, or which would be reported as adjusted gross income if a federal income tax return were required to be filed. In computing qualified gross income, the net amount of loss reported on Federal Schedule C, D, E, or F shall not exceed three thousand dollars per schedule. In addition, the net amount of any other separate category of loss shall not exceed three thousand dollars. The aggregate amount of all losses included in computing qualified gross income shall not exceed fifteen thousand dollars.

(b) "STAR tax savings" means the tax savings attributable to the basic or enhanced STAR exemption, whichever is applicable, within a portion of a school district, as determined by the commissioner pursuant to subdivision two of section thirteen hundred six-a of the real property tax law.

[~~(c) "Metropolitan commuter transportation district" or "MCTD" means the metropolitan commuter transportation district as defined in section twelve hundred sixty-two of the public authorities law.~~]

§ 2. This act shall take effect immediately.

PART CC

Section 1. The opening paragraph and subdivisions 1 and 2 of section 1306 of the racing, pari-mutuel wagering and breeding law, the opening paragraph as amended by chapter 243 of the laws of 2020 and subdivisions 1 and 2 as added by chapter 174 of the laws of 2013, are amended to read as follows:

The New York state gaming facility location board shall select, following a competitive process and subject to the restrictions of this

article, no more than [~~four~~] **seven** entities to apply to the commission for gaming facility licenses**; provided however, that no more than three gaming facilities shall be located in zone one, and no more than four gaming facilities shall be located in zone two**. In exercising its authority, the board shall have all powers necessary or convenient to fully carry out and effectuate its purposes including, but not limited to, the following powers. The board shall:

1. issue a request for applications for zone **one or** two gaming facility licenses pursuant to section one thousand three hundred twelve **or section one thousand three hundred twenty-one-b** of this article;

2. assist the commission in prescribing the form of the application for zone **one or** two gaming facility licenses including information to be furnished by an applicant concerning an applicant's antecedents, habits, character, associates, criminal record, business activities and financial affairs, past or present pursuant to section one thousand three hundred thirteen **or section one thousand three hundred twenty-one-c** of this article;

§ 2. Subparagraph 2 of paragraph (a) of subdivision 2 of section 1310 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

(2) Region two shall consist of Bronx, Kings, New York, Queens and Richmond counties[~~. No gaming facility shall be authorized in region two~~]; and

§ 3. The title heading of title 2 of article 13 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

FACILITY DETERMINATION AND LICENSING**: UPSTATE GAMING FACILITIES**

§ 4. Section 1310 of title 2 of article 13 of the racing, pari-mutuel wagering and breeding law is redesignated section 1310 of title 1 of such article.

§ 5. Section 1311 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, subdivision 1 as amended by chapter 175 of the laws of 2013 and subdivision 3 as added by section 6 of part Y of chapter 59 of the laws of 2021, is amended to read as follows:

§ 1311. License authorization; restrictions. 1. The commission is authorized to award up to four gaming facility licenses, in regions one, two and five of zone two. The duration of such initial license shall be ten years. The term of renewal shall be determined by the commission. The commission may award a second license to a qualified applicant in no more than a single region. The commission is not empowered to award any license [~~in zone one. No gaming facilities are authorized~~] **nor are any gaming facilities authorized** under this [~~article~~] **title** for the city of New York or any other portion of zone one.

As a condition of licensure, licensees are required to commence gaming operations no more than twenty-four months following license award. No additional licenses may be awarded during the twenty-four month period, nor for an additional sixty months following the end of the twenty-four month period. Should the state legislatively authorize additional gaming facility licenses within these periods, licensees shall have the right to recover the license fee paid pursuant to section one thousand three hundred six of this article.

This right shall be incorporated into the license itself, vest upon the opening of a gaming facility in zone one or in the same region as the licensee and entitle the holder of such license to bring an action in the court of claims to recover the license fee paid pursuant to

section one thousand three hundred fifteen of this [~~article~~] **title** in the event that any gaming facility license in excess of the number authorized by this section as of the effective date of this section is awarded within seven years from the date that the initial gaming facility license is awarded. This right to recover any such fee shall be proportionate to the length of the respective period that is still remaining upon the vesting of such right.

Additionally, the right to bring an action in the court of claims to recover the fee paid to the state on the twenty-fourth day of September, two thousand ten, by the operator of a video lottery gaming facility in a city of more than one million shall vest with such operator upon the opening of any gaming facility licensed by the commission in zone one within seven years from the date that the initial gaming facility license is awarded; provided however that the amount recoverable shall be limited to the pro rata amount of the time remaining until the end of the seven year exclusivity period, proportionate to the period of time between the date of opening of the video lottery facility until the conclusion of the seven year period.

2. Notwithstanding the foregoing, no casino gaming facility shall be authorized:

(a) in the counties of Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, Saint Lawrence and Warren;

(b) within the following area: (1) to the east, State Route 14 from Sodus Point to the Pennsylvania border with New York; (2) to the north, the border between New York and Canada; (3) to the south, the Pennsylvania border with New York; and (4) to the west, the border between New York and Canada and the border between Pennsylvania and New York; and

(c) in the counties of Cayuga, Chenango, Cortland, Herkimer, Lewis, Madison, Oneida, Onondaga, Oswego and Otsego.

3. As a condition for continued licensure, licensees shall be required to house upon the physical premises of the licensed gaming facility, **upon request,** a mobile sports wagering platform provider's server or other equipment used for receiving mobile sports wagers pursuant to section 1367-a of [~~the racing, pari-mutuel wagering and breeding law~~] **this article**; provided however, that such licensee shall be entitled to the reasonable and actual costs, as determined by the gaming commission, of physically housing and securing such server or other equipment used for receiving mobile sports wagers at such licensee's licensed gaming facility; and provided further, [~~that as consideration for housing and securing such server at the physical premises of the licensed gaming facility,~~] **for the duration of the initial license term,** a mobile sports wagering platform [~~providers~~] **provider** shall pay [~~to such licensed gaming facility, five~~] **two and one-half** million dollars per year [~~for the duration of the time that such server is housed and operating at the physical premises of such licensed gaming facility~~] **from which each gaming facility licensed under title two of this article shall receive five million dollars per year**.

§ 6. The opening paragraph of subdivision 1 of section 1312 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

The board shall issue within ninety days of a majority of members being appointed a request for applications for a gaming facility license in regions one, two and five in zone two; provided, however, that the board shall not issue any requests for applications for any region in zone one **under this title**; and further provided that the board shall not issue any requests for applications with respect to any gaming facility

subsequently legislatively authorized until seven years following the commencement of gaming activities in zone two, unless such request for application with respect to any subsequently legislatively authorized gaming facility adheres to the procedure as described in section one thousand three hundred eleven of this title. All requests for applications shall include:

§ 7. Article 13 of the racing, pari-mutuel wagering and breeding law is amended by adding a new title 2-A to read as follows:

TITLE 2-A

FACILITY DETERMINATION AND LICENSING: ADDITIONAL GAMING FACILITIES

Section 1321-a. License authorization; restrictions.
1321-b. Requests for applications; requests for information.
1321-c. Form of application.
1321-d. License applicant eligibility.
1321-e. Required capital investment.
1321-f. Minimum license thresholds.
1321-g. Investigation of license applicants.
1321-h. Disqualifying criteria.
1321-i. Hearings.
1321-j. Siting evaluation.
1321-k. Video lottery gaming facility conversions.

§ 1321-a. License authorization; restrictions. 1. The commission is authorized to award up to three additional gaming facility licenses; provided, however, that the commission shall issue a request for applications no later than July first, two thousand twenty-two; and provided further, the deadline for submission of applications shall be no later than sixty days after the date upon which the commission issues such request for applications; and provided further, such licenses must be awarded and license fees paid by applicants, no later than December first, two thousand twenty-two. The duration of such initial license shall be ten years. The term of renewal shall be determined by the commission; provided however, that no term of renewal shall be less than ten years.

2. Notwithstanding the foregoing, no casino gaming facility shall be authorized:

(a) in the counties of Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, Saint Lawrence and Warren;

(b) within the following area: (1) to the east, State Route 14 from Sodus Point to the Pennsylvania border with New York; (2) to the north, the border between New York and Canada; (3) to the south, the Pennsylvania border with New York; and (4) to the west, the border between New York and Canada and the border between Pennsylvania and New York; and

(c) in the counties of Cayuga, Chenango, Cortland, Herkimer, Lewis, Madison, Oneida, Onondaga, Oswego and Otsego.

§ 1321-b. Requests for applications; requests for information. Requests for applications shall be handled in the same manner as provided for in section thirteen hundred twelve of this article for gaming licenses authorized but not awarded, provided however that any requests for applications for gaming facility licenses authorized but not awarded may be for gaming facility licenses in any region in zone one or in regions one, two and five in zone two.

§ 1321-c. Form of application. The form of the application shall be the same as established under section thirteen hundred thirteen of this article.

§ 1321-d. License applicant eligibility. 1. Gaming facility licenses shall only be issued to applicants who are qualified under the criteria set forth in this article, as determined by the commission.

2. As a condition of filing, each potential license applicant shall:

(a) demonstrate to the board that local support has been obtained through the enactment of local laws or resolutions in support by the host municipality and county; and

(b) waive all rights they or any affiliated entity possess under section one thousand three hundred eleven of this article to bring an action to recover a fee.

3. The expiration of the seven year restricted period from the date that an initial gaming facility license was awarded is February twenty-eighth, two thousand twenty-three for the three initial casino licenses and November twenty-second, two thousand twenty-three for the final casino license awarded. Should an applicant or applicants commence gaming activities prior to such dates, such applicant or applicants shall be jointly and severally liable for payment of the proportionate fee for the respective period remaining as required by section one thousand three hundred eleven of this article.

§ 1321-e. Required capital investment. 1. The board shall establish the minimum capital investment for each unawarded gaming facility license. Such investment may include, but not be limited to, a casino area, hotel and other amenities; and provided further, that the board shall determine whether it will include the purchase or lease price of the land where the gaming facility will be located or any infrastructure designed to support the site including, but not limited to, drainage, utility support, roadways, interchanges, fill and soil or groundwater or surface water contamination issues. The board may consider private capital investment made previous to the effective date of this title, but may, in its discretion, discount a percentage of the investment made. Upon award of a gaming license by the commission, the applicant shall be required to deposit ten percent of the total investment proposed in the application into an interest-bearing account. Monies received from the applicant shall be held in escrow until the final stage of construction, as detailed in the timeline of construction submitted with the licensee's application and approved by the commission, at which time the deposit plus interest earned shall be returned to the applicant to be applied for the final stage. Should the applicant be unable to complete the gaming facility, the deposit shall be forfeited to the state. In place of a cash deposit, the commission may allow for an applicant to secure a deposit bond insuring that ten percent of the proposed capital investment shall be forfeited to the state if the applicant is unable to complete the gaming facility.

2. Each applicant shall submit its proposed capital investment with its application to the board which shall include stages of construction of the gaming facility and the deadline by which the stages and overall construction and any infrastructure improvements will be completed. In awarding a license, the commission shall determine at what stage of construction a licensee shall be approved to open for gaming; provided, however, that a licensee shall not be approved to open for gaming until the commission has determined that at least the gaming area and other ancillary entertainment services and non-gaming amenities, as required by the board, have been built and are of a superior quality as set forth in the conditions of licensure. The commission shall not approve a gaming facility to open before the completion of the permanent casino area.

3. The board shall determine a licensing fee to be paid by a licensee within thirty days after the award of the license which shall be deposited into the commercial gaming revenue fund; provided however that such licensing fee shall be no less than one billion dollars per license. The license shall set forth the conditions to be satisfied by the licensee before the gaming facility shall be opened to the public. The commission shall set any renewal fee for such license based on the cost of fees associated with the evaluation of a licensee under this article which shall be deposited into the commercial gaming fund. Such renewal fee shall be exclusive of any subsequent licensing fees under this section.

4. The commission shall determine the sources and total amount of an applicant's proposed capitalization to develop, construct, maintain and operate a proposed gaming facility under this article. Upon award of a gaming license, the commission shall continue to assess the capitalization of a licensee for the duration of construction of the proposed gaming facility and the term of the license.

§ 1321-f. Minimum license thresholds. The minimum licensing thresholds shall be the same as those established under section thirteen hundred sixteen of this article.

§ 1321-g. Investigation of license applicants. The process used to investigate license applicants shall be the same process established under section thirteen hundred seventeen of this article.

§ 1321-h. Disqualifying criteria. The criteria to disqualify applicants shall be the same criteria used for upstate gaming facility licensing, which are enumerated in section thirteen hundred eighteen of this article.

§ 1321-i. Hearings. The process used for hearings shall be the same process established under section thirteen hundred nineteen of this article.

§ 1321-j. Siting evaluation. In determining whether an applicant shall be eligible for a gaming facility license, the board shall evaluate how each applicant proposes to advance the following objectives with consideration given to the differences between proposed projects related to whether it is a conversion of an existing video lottery gaming facility or new facility construction, and the proposed location.

1. The decision by the board to select a gaming facility license applicant shall be weighted by fifty percent based on economic activity and business development factors including:

(a) realizing maximum capital investment exclusive of land acquisition and infrastructure improvements;

(b) maximizing revenues received by the state and localities;

(c) providing the highest number of quality jobs in the gaming facility;

(d) building a gaming facility of the highest caliber with a variety of quality amenities to be included as part of the gaming facility;

(e) offering the highest and best value to patrons to create a secure and robust gaming market in the region and the state;

(f) providing a market analysis detailing the benefits of the site location of the gaming facility and the estimated recapture rate of gaming-related spending by residents travelling to an out-of-state gaming facility;

(g) offering the fastest time to completion of the full gaming facility;

(h) demonstrating the ability to fully finance the gaming facility; and

(i) demonstrating experience in the development and operation of a quality gaming facility.

2. The decision by the board to select a gaming facility license applicant shall be weighted by twenty percent based on local impact and siting factors including:

(a) mitigating potential impacts on host and nearby municipalities which might result from the development or operation of the gaming facility;

(b) operating in partnership with and promoting local hotels, restaurants and retail facilities so that patrons experience the full diversified regional tourism industry; and

(c) establishing a fair and reasonable partnership with live entertainment venues that may be impacted by a gaming facility under which the gaming facility actively supports the mission and the operation of the impacted entertainment venues.

3. The decision by the board to select a gaming facility license applicant shall be weighted by fifteen percent based on workforce enhancement factors including:

(a) implementing a workforce development plan that utilizes the existing labor force, including the estimated number of construction jobs a proposed gaming facility will generate, the development of workforce training programs that serve the unemployed and methods for accessing employment at the gaming facility;

(b) taking additional measures to address problem gambling including, but not limited to, training of gaming employees to identify patrons exhibiting problems with gambling;

(c) utilizing sustainable development principles including, but not limited to:

(1) having new and renovation construction certified under the appropriate certification category in the Leadership in Energy and Environmental Design Green Building Rating System created by the United States Green Building Council;

(2) efforts to mitigate vehicle trips;

(3) efforts to conserve water and manage storm water;

(4) demonstrating that electrical and HVAC equipment and appliances will be Energy Star labeled where available;

(5) procuring or generating on-site ten percent of its annual electricity consumption from renewable sources; and

(6) developing an ongoing plan to submeter and monitor all major sources of energy consumption and undertake regular efforts to maintain and improve energy efficiency of buildings in their systems;

(d) establishing, funding and maintaining human resource hiring and training practices that promote the development of a skilled and diverse workforce and access to promotion opportunities through a workforce training program that:

(1) establishes transparent career paths with measurable criteria within the gaming facility that lead to increased responsibility and higher pay grades that are designed to allow employees to pursue career advancement and promotion;

(2) provides employee access to additional resources, such as tuition reimbursement or stipend policies, to enable employees to acquire the education or job training needed to advance career paths based on increased responsibility and pay grades; and

(3) establishes an on-site child day care program;

(e) purchasing, whenever possible, domestically manufactured slot machines for installation in the gaming facility;

(f) implementing a workforce development plan that:

(1) incorporates an affirmative action program of equal opportunity by which the applicant guarantees to provide equal employment opportunities to all employees qualified for licensure in all employment categories, including persons with disabilities;

(2) utilizes the existing labor force in the state;

(3) estimates the number of construction jobs a gaming facility will generate and provides for equal employment opportunities and which includes specific goals for the utilization of minorities, women and veterans on those construction jobs;

(4) identifies workforce training programs offered by the gaming facility; and

(5) identifies the methods for accessing employment at the gaming facility; and

(g) demonstrating that the applicant has an agreement with organized labor, including hospitality services, and has the support of organized labor for its application, which specifies:

(1) the number of employees to be employed at the gaming facility, including detailed information on the pay rate and benefits for employees and contractors in the gaming facility and all infrastructure improvements related to the project; and

(2) detailed plans for assuring labor harmony during all phases of the construction, reconstruction, renovation, development and operation of the gaming facility.

4. (a) The decision by the board to select a gaming facility license applicant shall be weighted by fifteen percent based on a diversity framework established by the board that takes into account the utilization and employment of minorities, women and service-disabled veterans in permanent and part-time jobs at such proposed facility, as well as diversity in the ownership and leadership of the corporate entity which seeks to apply for a gaming facility license.

(b) In establishing such framework under this subdivision, the board shall consult with the division of minority and women's business development in the department of economic development to achieve the maximum feasible participation of minority and women-owned businesses. Guidelines for such framework may include, but not be limited to an applicant's:

(1) ability to identify and establish mentorship opportunities and other business development programs as part of its overall application;

(2) the development of aspirational goals for the utilization of minority group members, women and service-disabled veterans in each construction trade, profession, and occupation at the proposed facility;

(3) assurances that any contractors or subcontractors to any contractor make good faith efforts to meet any established workforce participation goals;

(4) participation with enterprises in which such minority ownership is real, substantial and continuing;

(5) how an applicant's plan shall promote diversity in its business model, financing, employment goals, and other social and economic equity roles in the gaming industry; and

(6) any such further criteria as the board and director shall see fit for inclusion.

§ 1321-k. Video lottery gaming facility conversions. Notwithstanding any law, rule or regulation to the contrary, for any video lottery gaming facility authorized by paragraph four of subdivision a of section sixteen hundred seventeen-a of the tax law that converts to a gaming

facility, nothing in this section shall be construed to affect the hosting agreement between the corporation established pursuant to section five hundred two of this chapter in the Nassau region and the entity converted to a gaming facility; and pursuant to the agreement, such video lottery devices shall be deemed to be hosted for the corporation by such entity.

§ 8. Paragraph (b) of subdivision 2 of section 1320 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

(b) gaining public support in the host and nearby municipalities which [~~may~~] shall be demonstrated through the [~~passage~~] enactment of local laws [~~or public comment received by the board or gaming applicant~~];

§ 9. Section 1366 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

§ 1366. Zoning. 1. The state, any municipal corporation or any agency or authority thereof shall be prohibited from acquiring land necessary for the construction or development of a class three gaming facility pursuant to this article.

2. Notwithstanding any inconsistent provision of law, gaming authorized at a location pursuant to this article shall be deemed an approved activity for such location under the relevant city, county, town, or village land use or zoning ordinances, rules, or regulations; provided however, that this subdivision shall not apply to new gaming facility licenses authorized after January first, two thousand twenty-two.

3. The requirements set forth in this section shall be in addition to the requirements of the provisions of the state environmental quality review act under article eight of the environmental conservation law and its implementing regulations which are codified in 6 NYCRR 617 and any other general laws relating to land use and any amendments thereto.

§ 10. The opening paragraph of subdivision b of section 1617-a of the tax law, as amended by section 1 of part SS of chapter 60 of the laws of 2016, is amended to read as follows:

Such rules and regulations shall provide, as a condition of licensure, that racetracks to be licensed are certified to be in compliance with all state and local fire and safety codes, that the gaming commission is afforded adequate space, infrastructure, and amenities consistent with industry standards for such video lottery gaming operations as found at racetracks in other states, that racetrack employees involved in the operation of video lottery gaming pursuant to this section are licensed by the gaming commission and such other terms and conditions of licensure as the gaming commission may establish. Notwithstanding any inconsistent provision of law, video lottery gaming at a racetrack pursuant to this section shall be deemed an approved activity for such racetrack under the relevant city, county, town, or village land use or zoning ordinances, rules, or regulations and shall be in addition to the requirements of the provisions of the state environmental quality review act under article eight of the environmental conservation law and its implementing regulations which are codified in 6 NYCRR 617 and any other general laws relating to land use and any amendments hereto. No entity licensed by the gaming commission operating video lottery gaming pursuant to this section may house such gaming activity in a structure deemed or approved by the division as "temporary" for a duration of longer than eighteen-months. Nothing in this section shall prohibit the gaming commission from licensing an entity to operate video lottery gaming at an existing racetrack as authorized in this subdivision whether or not a

different entity is licensed to conduct horse racing and pari-mutuel wagering at such racetrack pursuant to article two or three of the racing, pari-mutuel wagering and breeding law.

§ 11. Section 1318 of the racing, pari-mutuel wagering and breeding law is amended by adding a new subdivision 2 to read as follows:

2. The commission may revoke a license of any entity that held a license to operate video lottery terminals pursuant to section sixteen hundred seventeen-a of the tax law, which was then converted to a gaming facility license if the commission determines the facility is disqualified on the basis of any of the criteria enumerated in subdivision one of this section, subject to notice and an opportunity for hearing.

§ 12. The opening paragraph of section 1348 of the racing, pari-mutuel wagering and breeding law, as added by chapter 174 of the laws of 2013, is amended to read as follows:

In addition to any other tax or fee imposed by this article, there shall be imposed an annual license fee of five hundred dollars for each slot machine and table approved by the commission for use by a gaming licensee at a gaming facility; **and beginning in the year two thousand twenty-three, there shall be imposed an annual license fee of seven hundred fifty dollars for each slot machine and table game approved by the commission for use by a gaming licensee at a gaming facility located in zone one, originally awarded a license after July first, two thousand twenty-two, and** provided, however, that not sooner than five years after award of an original gaming license, the commission may annually adjust the fee for inflation. The fee shall be imposed as of July first of each year for all approved slot machines and tables on that date and shall be assessed on a pro rata basis for any slot machine or table approved for use thereafter.

§ 13. Section 1351 of the racing, pari-mutuel wagering and breeding law is amended by adding a new subdivision 1-a to read as follows:

1-a. For a gaming facility licensed pursuant to title two-A of this article, there is hereby imposed a tax on gross gaming revenues with the rates to be determined by the gaming commission pursuant to a competitive bidding process as outlined in title two-A of this article; provided however, that at such facilities, the tax rate on revenue from slot machines shall be no less than forty-five percent, and the tax rate for gross gaming revenue from all other sources shall be no less than ten percent.

§ 14. This act shall take effect immediately.

PART DD

Section 1. Section 509-a of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part LLL of chapter 59 of the laws of 2021, is amended to read as follows:

§ 509-a. Capital acquisition fund. 1. The corporation may create and establish a capital acquisition fund for the purpose of financing the acquisition, construction or equipping of offices, facilities or premises of the corporation. Such capital acquisition fund shall consist of (i) the amounts specified pursuant to subdivision three-a of section five hundred thirty-two of this chapter; and (ii) contributions from the corporation's pari-mutuel wagering pools, subject to the following limitations:

a. no contribution shall exceed the amount of one percent of the total pari-mutuel wagering pools for the quarter in which the contribution is made;

b. no contribution shall reduce the amount of quarterly net revenues, exclusive of surcharge revenues, to an amount less than fifty percent of such net revenues; and

c. the balance of the fund shall not exceed the lesser of one percent of total pari-mutuel wagering pools for the previous twelve months or the undepreciated value of the corporation's offices, facilities and premises.

2. a. Notwithstanding any other provision of law or regulation to the contrary, from April nineteenth, two thousand twenty-one to March thirty-first, two thousand twenty-two, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's capital acquisition fund and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section shall also be available to such off-track betting corporation for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.

b. Notwithstanding any other provision of law or regulation to the contrary, from April first, two thousand twenty-two to March thirty-first, two thousand twenty-three, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's acquisition fund and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section shall also be available to such off-track betting corporation for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.

3. The Catskill off-track betting corporation and the Capital off-track betting corporation shall make a report to the governor, speaker of the assembly, temporary president of the senate and the commission detailing the actual use of the funds made available in the capital acquisition fund. Such report shall include, but not be limited to, any impact on employment levels since utilizing the funds, the status of any statutory obligations, an accounting of the use of such funds, and any other information as deemed necessary by the commission. Such report shall be due no later than the [~~first day of April two thousand twenty-two~~] last day of the fiscal year in which the monies were spent.

§ 2. Section 2 of part LLL of chapter 59 of the laws of 2021 amending the racing, pari-mutuel wagering and breeding law, relating to the utilization of funds in the Catskill and Capital regions off-track betting corporation's capital acquisition funds, is amended to read as follows:

§ 2. This act shall take effect immediately [~~and shall expire and be deemed repealed one year after such date~~].

§ 3. This act shall take effect immediately.

PART EE

Section 1. Paragraph (a) of subdivision 1 of section 1003 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which

pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the commission for a license so to do. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. No license shall be issued by the commission authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility and for account wagering licensees that do not operate either a simulcast facility that is open to the public within the state of New York or a licensed racetrack within the state, twenty thousand dollars per year payable by the licensee to the commission for deposit into the general fund. Except as provided in this section, the commission shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The commission may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences, homes or other areas technically capable of receiving the simulcast signal shall be a contracting party; (iii) the distribution of revenues shall be subject to contractual agreement of the parties except that statutory payments to non-contracting parties, if any, may not be reduced; provided, however, that nothing herein to the contrary shall prevent a track from televising its races on an irregular basis primarily for promotional or marketing purposes as found by the commission. For purposes of this paragraph, the provisions of section one thousand thirteen of this article shall not apply. Any agreement authorizing an in-home simulcasting experiment commencing prior to May fifteenth, nineteen hundred ninety-five, may, and all its terms, be extended until June thirtieth, two thousand [~~twenty-two~~] twenty-three; provided, however, that any party to such agreement may elect to terminate such agreement upon conveying written notice to all other parties of such agreement at least forty-five days prior to the effective date of the termination, via registered mail. Any party to an agreement receiving such notice of an intent to terminate, may request the commission to mediate between the parties new terms and conditions in a replacement agreement between the parties as will permit continuation of an in-home experiment until June thirtieth, two thousand [~~twenty-two~~] twenty-three; and (iv) no in-home simulcasting in the thoroughbred special betting district shall occur without the approval of the regional thoroughbred track.

§ 2. Subparagraph (iii) of paragraph d of subdivision 3 of section 1007 of the racing, pari-mutuel wagering and breeding law, as amended by section 2 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

(iii) Of the sums retained by a receiving track located in Westchester county on races received from a franchised corporation, for the period commencing January first, two thousand eight and continuing through June thirtieth, two thousand [~~twenty-two~~] twenty-three, the amount used exclusively for purses to be awarded at races conducted by such receiving track shall be computed as follows: of the sums so retained, two and one-half percent of the total pools. Such amount shall be increased or decreased in the amount of fifty percent of the difference in total commissions determined by comparing the total commissions available after July twenty-first, nineteen hundred ninety-five to the total commissions that would have been available to such track prior to July twenty-first, nineteen hundred ninety-five.

§ 3. The opening paragraph of subdivision 1 of section 1014 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [~~twenty-two~~] twenty-three and on any day regardless of whether or not a franchised corporation is conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack after June thirtieth, two thousand [~~twenty-two~~] twenty-three. On any day on which a franchised corporation has not scheduled a racing program but a thoroughbred racing corporation located within the state is conducting racing, each off-track betting corporation branch office and each simulcasting facility licensed in accordance with section one thousand seven (that has entered into a written agreement with such facility's representative horsemen's organization, as approved by the commission), one thousand eight, or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state or foreign country subject to the following provisions:

§ 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering and breeding law, as amended by section 4 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

1. The provisions of this section shall govern the simulcasting of races conducted at harness tracks located in another state or country during the period July first, nineteen hundred ninety-four through June thirtieth, two thousand [~~twenty-two~~] twenty-three. This section shall supersede all inconsistent provisions of this chapter.

§ 5. The opening paragraph of subdivision 1 of section 1016 of the racing, pari-mutuel wagering and breeding law, as amended by section 5 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

The provisions of this section shall govern the simulcasting of races conducted at thoroughbred tracks located in another state or country on any day during which a franchised corporation is not conducting a race meeting in Saratoga county at Saratoga thoroughbred racetrack until June thirtieth, two thousand [~~twenty-two~~] twenty-three. Every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven that have entered into a written agreement with such facility's representative horsemen's organization as approved by the commission, one thousand eight or one thousand nine of this article shall be authorized to accept wagers and

display the live full-card simulcast signal of thoroughbred tracks (which may include quarter horse or mixed meetings provided that all such wagering on such races shall be construed to be thoroughbred races) located in another state or foreign country, subject to the following provisions; provided, however, no such written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article:

§ 6. The opening paragraph of section 1018 of the racing, pari-mutuel wagering and breeding law, as amended by section 6 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

Notwithstanding any other provision of this chapter, for the period July twenty-fifth, two thousand one through September eighth, two thousand [~~twenty-one~~] twenty-two, when a franchised corporation is conducting a race meeting within the state at Saratoga Race Course, every off-track betting corporation branch office and every simulcasting facility licensed in accordance with section one thousand seven (that has entered into a written agreement with such facility's representative horsemen's organization as approved by the commission), one thousand eight or one thousand nine of this article shall be authorized to accept wagers and display the live simulcast signal from thoroughbred tracks located in another state, provided that such facility shall accept wagers on races run at all in-state thoroughbred tracks which are conducting racing programs subject to the following provisions; provided, however, no such written agreement shall be required of a franchised corporation licensed in accordance with section one thousand seven of this article.

§ 7. Section 32 of chapter 281 of the laws of 1994, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting, as amended by section 7 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

§ 32. This act shall take effect immediately and the pari-mutuel tax reductions in section six of this act shall expire and be deemed repealed on July 1, [~~2022~~] 2023; provided, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration, or repeal of any provision of law amended by any section of this act, and such provisions shall be applied or qualified or shall expire or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law; provided further, however, that sections twenty-three and twenty-five of this act shall remain in full force and effect only until May 1, 1997 and at such time shall be deemed to be repealed.

§ 8. Section 54 of chapter 346 of the laws of 1990, amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, as amended by section 8 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

§ 54. This act shall take effect immediately; provided, however, sections three through twelve of this act shall take effect on January 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breeding law, as added by section thirty-eight of this act, shall expire and be deemed repealed on July 1, [~~2022~~] 2023; and section eighteen of this act shall take effect on July 1, 2008 and sections fifty-one and fifty-two of this act shall take effect as of the same date as chapter 772 of the laws of 1989 took effect.

§ 9. Paragraph (a) of subdivision 1 of section 238 of the racing, pari-mutuel wagering and breeding law, as amended by section 9 of part DD of chapter 59 of the laws of 2021, is amended to read as follows:

(a) The franchised corporation authorized under this chapter to conduct pari-mutuel betting at a race meeting or races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, provided such tickets are presented for payment before April first of the year following the year of their purchase, less an amount that shall be established and retained by such franchised corporation of between twelve to seventeen percent of the total deposits in pools resulting from on-track regular bets, and fourteen to twenty-one percent of the total deposits in pools resulting from on-track multiple bets and fifteen to twenty-five percent of the total deposits in pools resulting from on-track exotic bets and fifteen to thirty-six percent of the total deposits in pools resulting from on-track super exotic bets, plus the breaks. The retention rate to be established is subject to the prior approval of the commission.

Such rate may not be changed more than once per calendar quarter to be effective on the first day of the calendar quarter. "Exotic bets" and "multiple bets" shall have the meanings set forth in section five hundred nineteen of this chapter. "Super exotic bets" shall have the meaning set forth in section three hundred one of this chapter. For purposes of this section, a "pick six bet" shall mean a single bet or wager on the outcomes of six races. The breaks are hereby defined as the odd cents over any multiple of five for payoffs greater than one dollar five cents but less than five dollars, over any multiple of ten for payoffs greater than five dollars but less than twenty-five dollars, over any multiple of twenty-five for payoffs greater than twenty-five dollars but less than two hundred fifty dollars, or over any multiple of fifty for payoffs over two hundred fifty dollars. Out of the amount so retained there shall be paid by such franchised corporation to the commissioner of taxation and finance, as a reasonable tax by the state for the privilege of conducting pari-mutuel betting on the races run at the race meetings held by such franchised corporation, the following percentages of the total pool for regular and multiple bets five percent of regular bets and four percent of multiple bets plus twenty percent of the breaks; for exotic wagers seven and one-half percent plus twenty percent of the breaks, and for super exotic bets seven and one-half percent plus fifty percent of the breaks.

For the period April first, two thousand one through December thirty-first, two thousand [~~twenty-two~~] **twenty-three**, such tax on all wagers shall be one and six-tenths percent, plus, in each such period, twenty percent of the breaks. Payment to the New York state thoroughbred breeding and development fund by such franchised corporation shall be one-half of one percent of total daily on-track pari-mutuel pools resulting from regular, multiple and exotic bets and three percent of super exotic bets and for the period April first, two thousand one through December thirty-first, two thousand [~~twenty-two~~] **twenty-three**, such payment shall be seven-tenths of one percent of regular, multiple and exotic pools.

§ 10. This act shall take effect immediately.

PART FF

Section 1. Section 606 of the tax law is amended by adding a new subsection (nnn) to read as follows:

(nnn) Caregiving tax credit. (1) For taxable years beginning on or after January first, two thousand twenty-two, a qualified caregiver shall be allowed a credit against the tax imposed by this article for a portion of the total purchase price paid for a qualified caregiving

expense by such a qualified caregiver for performing caregiving duties provided to a qualified family member that resided within this state.

(2) For purposes of this section (A) "qualified caregiving expense" means payments made by the qualified caregiver for goods and services which are provided to or for the benefit of the qualifying family member or to assist the qualified caregiver in caring for the qualifying family member. Such expenses include, but are not limited to, home health agency services, adult day care, companionship services, personal care attendant services, homemaker services, respite care, health care equipment, assistive devices and supplies, home modification, transportation, legal or financial services, and assistive technology.

(B) "qualified family member" means an individual who is: (i) at least eighteen years of age during a taxable year; (ii) a resident of New York state; (iii) requires assistance with at least one activity of daily living (ADL), as certified by a licensed health care practitioner; and (iv) is an individual who qualifies as a dependent, spouse, domestic partner as defined by section four of the workers' compensation law, sibling, partner, parent or other relation by blood or marriage, including an in-law, grandparent, grandchild, step-parent, aunt, uncle, niece, or nephew of the qualified caregiver.

(C) "qualified caregiver" means an individual who is a New York state resident taxpayer for the taxable year. In the case of a joint return, the term includes the individual and the individual's spouse. The qualified caregiver claiming the credit must have a federal adjusted gross income of seventy-five thousand dollars or less for an individual and one hundred fifty thousand dollars or less for a couple, and incur uncompensated expenses directly related to the care of a qualified family member. In addition, qualified caregivers must provide care to one or more eligible qualified family members during the taxable year, and be eligible to receive a credit against the family caregiver's state tax liability for the taxable year.

(3) The credit established pursuant to this subsection shall be allowed for the taxable year in which the qualified caregiver incurred the qualified caregiving expense. The credit established under this subsection shall not exceed fifty percent of the total amount expended, and shall not exceed three thousand five hundred dollars.

(4) If the allowable amount of the credit exceeds the taxes otherwise due under this article for the taxable year, the unused amount of the credit is waived, and may not be refunded, carried forward or otherwise used to offset taxes.

(5) Eligible qualified caregivers shall apply for the credit through the department. The commissioner, in consultation with the commissioner of the department of health and the director of the office for the aging, shall issue a certification for an approved application to the taxpayer that states the amount of the credit allocated to the taxpayer and the allocation year.

(6) The aggregate amount of tax credits allowed pursuant to the authority of this subsection shall be thirty-five million dollars each year during the period two thousand twenty-two through two thousand twenty-four. Such aggregate amount of credits shall be allocated by the department on a first come first serve basis in order of priority based upon the date of filing an application for allocation of credit with the department. Once the credits allocated exceed the limit established in this subsection, the commissioner shall cease to allocate and certify tax credits to taxpayers.

(7) The commissioner may require a qualified taxpayer to furnish the following information in support of his or her claim for credit under this subsection: household adjusted gross income, the name of the eligible family member and his or her identifying information including social security numbers, and all other information which may be required by the commissioner to determine the credit.

(8) The commissioner, after consulting with the commissioner of the department of health and the director of the office for the aging, shall by October thirty-first, two thousand twenty-two promulgate regulations necessary and appropriate to carry out the purposes of this subsection. Notwithstanding any other provisions to the contrary in the state administrative procedure act, such rules and regulations may be adopted on an emergency basis if necessary to meet such October thirty-first, two thousand twenty-two deadline.

(9) The department shall submit to the governor, the temporary president of the senate, and the speaker of the assembly an annual report by February first of each year evaluating the effectiveness of the caregiving tax credit provided by this subsection. Such report shall be based on data available from the application filed with the department for any caregiving credits. Notwithstanding any provision of law to the contrary, the information contained in the report shall be public information. The report shall include recommendations for changes in the calculation or administration of the credit proposed by the department, in consultation with the department of health and the office for the aging, that are deemed useful and appropriate.

§ 2. This act shall take effect immediately and shall apply to taxable years commencing on and after January 1, 2022; provided that the provisions of this act shall expire and be deemed repealed December 31, 2024.

PART GG

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

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

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

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

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

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

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

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

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

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

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

§ 6. Section 1503 of the tax law is amended by adding a new subdivision (d) to read as follows:

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

§ 7. Paragraph (a) of subdivision 8 of section 11-602 of the administrative code of the city of New York is amended by adding a new subparagraph 16 to read as follows:

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

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

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

§ 9. Paragraph (a) of subdivision 8 of section 11-652 of the administrative code of the city of New York is amended by adding a new subparagraph 17 to read as follows:

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

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

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

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

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

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

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

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

§ 13. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2022.

PART HH

Section 1. Subsection (g-1) of section 606 of the tax law, as amended by chapter 378 of the laws of 2005, paragraphs 1 and 2 as amended by chapter 375 of the laws of 2012 and paragraph 3 as amended, paragraph 5 as added and paragraphs 6, 7 and 8 as renumbered by chapter 128 of the laws of 2007, is amended to read as follows:

(g-1) Solar energy system equipment credit. (1) General. An individual taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty-five percent of qualified solar energy system equipment expenditures, except as provided in subparagraph (D) of paragraph two of this subsection. This credit shall not exceed three thousand seven hundred fifty dollars for qualified solar energy equipment placed in service before September first, two thousand six, [~~and~~] five thousand dollars for qualified solar energy equipment placed in service on or after September first, two thousand six and before April first, two thousand twenty-two, and ten thousand dollars for qualified solar energy equipment placed in service on or after April first, two thousand twenty-two.

(2) Qualified solar energy system equipment expenditures. (A) The term "qualified solar energy system equipment expenditures" means expenditures for:

(i) the purchase of solar energy system equipment which is installed in connection with residential property which is (I) located in this state and (II) which is used by the taxpayer as [~~his or her principal~~] a residence at the time the solar energy system equipment is placed in service;

(ii) the lease of solar energy system equipment under a written agreement that spans at least ten years where such equipment owned by a person other than the taxpayer is installed in connection with residential property which is (I) located in this state and (II) which is used by the taxpayer as [~~his or her principal~~] a residence at the time the solar energy system equipment is placed in service; or

(iii) the purchase of power under a written agreement that spans at least ten years whereunder the power purchased is generated by solar energy system equipment owned by a person other than the taxpayer which is installed in connection with residential property which is (I) located in this state and (II) which is used by the taxpayer as [~~his or her principal~~] a residence at the time the solar energy system equipment is placed in service.

(B) Such qualified expenditures shall include expenditures for materials, labor costs properly allocable to on-site preparation, assembly and original installation, architectural and engineering services, and designs and plans directly related to the construction or installation of the solar energy system equipment.

(C) Such qualified expenditures for the purchase of solar energy system equipment shall not include interest or other finance charges.

(D) Such qualified expenditures for the lease of solar energy system equipment or the purchase of power under an agreement described in clauses (ii) or (iii) of subparagraph (A) of this paragraph shall

include an amount equal to all payments made during the taxable year under such agreement. Provided, however, such credits shall only be allowed for fourteen years after the first taxable year in which such credit is allowed. Provided further, however, the twenty-five percent limitation in paragraph one of this subsection shall only apply to the total aggregate amount of all payments to be made pursuant to an agreement referenced in clauses (ii) or (iii) of subparagraph (A) of this paragraph, and shall not apply to individual payments made during a taxable year under such agreement except to the extent such limitation on an aggregate basis has been reached.

(3) Solar energy system equipment. The term "solar energy system equipment" shall mean an arrangement or combination of components utilizing solar radiation, which, when installed in a residence, produces **and stores** energy designed to provide heating, cooling, hot water or electricity for use in such residence. Such arrangement or components shall not include equipment connected to solar energy system equipment that is a component of part or parts of a non-solar energy system or which uses any sort of recreational facility or equipment as a storage medium. Solar energy system equipment that generates **and stores** electricity for use in a residence must conform to applicable requirements set forth in section sixty-six-j of the public service law. Provided, however, where solar energy system equipment is purchased and installed by a condominium management association or a cooperative housing corporation, for purposes of this subsection only, the term "ten kilowatts" in such section sixty-six-j shall be read as "[~~fifty~~] **ten** kilowatts **multiplied by the number of owner-occupied units in the cooperative or condominium management association**."

(4) Multiple taxpayers. Where solar energy system equipment is purchased and installed in a [~~principal~~] residence shared by two or more taxpayers, the amount of the credit allowable under this subsection for each such taxpayer shall be prorated according to the percentage of the total expenditure for such solar energy system equipment contributed by each taxpayer.

(5) Proportionate share. Where solar energy system equipment is purchased and installed by a condominium management association or a cooperative housing corporation, a taxpayer who is a member of the condominium management association or who is a tenant-stockholder in the cooperative housing corporation may for the purpose of this subsection claim a proportionate share of the total expense as the expenditure for the purposes of the credit attributable to his [~~principal~~] **or her** residence.

(6) Grants. For purposes of determining the amount of the expenditure incurred in purchasing and installing solar energy system equipment, the amount of any federal, state or local grant received by the taxpayer, which was used for the purchase and/or installation of such equipment and which was not included in the federal gross income of the taxpayer, shall not be included in the amount of such expenditures.

(7) **Limitation; one residence. An eligible taxpayer shall only be allowed to apply the credit provided for in this subsection to one residence of such taxpayer.**

(8) When credit allowed. The credit provided for herein shall be allowed with respect to the taxable year, commencing after nineteen hundred ninety-seven, in which the solar energy system equipment is placed in service.

[~~(8)~~] **(9)** Carryover of credit. If the amount of the credit, and carryovers of such credit, allowable under this subsection for any taxable

year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years.

§ 2. This act shall take effect immediately.

PART II

Section 1. Section 606 of the tax law is amended by adding a new subsection (g-3) to read as follows:

(g-3) Geothermal energy systems credit. (1) General. An individual taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty-five percent of qualified geothermal energy system expenditures, except as provided in subparagraph (D) of paragraph two of this subsection. This credit shall not exceed five thousand dollars for a qualified geothermal energy system placed in service on or after September first, two thousand twenty-one.

(2) Qualified geothermal energy systems expenditures. (A) The term "qualified geothermal energy system expenditures" means expenditures for:

(i) the purchase of geothermal energy system equipment which is installed in connection with residential property which is (I) located in this state and (II) which is used by the taxpayer as his or her principal residence at the time the geothermal energy system equipment is placed in service;

(ii) the lease of geothermal energy system equipment under a written agreement that spans at least ten years where such equipment owned by a person other than the taxpayer is installed in connection with residential property which is (I) located in this state and (II) which is used by the taxpayer as his or her principal residence at the time the geothermal energy system equipment is placed in service; or

(iii) the purchase of power under a written agreement that spans at least ten years whereunder the power purchased is generated by geothermal energy system equipment owned by a person other than the taxpayer which is installed in connection with residential property which is (I) located in this state and (II) used by the taxpayer as his or her principal residence at the time the geothermal energy system equipment is placed in service.

(B) Such qualified expenditures shall include expenditures for materials, labor costs properly allocable to on-site preparation, assembly and original installation, architectural and engineering services, and designs and plans directly related to the construction or installation of the geothermal energy system equipment.

(C) Such qualified expenditures for the purchase of geothermal energy system equipment shall not include interest or other finance charges.

(D) Such qualified expenditures for the lease of geothermal energy system equipment or the purchase of power under an agreement described in clause (ii) or (iii) of subparagraph (A) of this paragraph shall include an amount equal to all payments made during the taxable year under such agreement. Provided, however, such credits shall only be allowed for fourteen years after the first taxable year in which such credit is allowed. Provided further, however, the twenty-five percent limitation in paragraph one of this subsection shall only apply to the total aggregate amount of all payments to be made pursuant to an agreement referenced in clause (ii) or (iii) of subparagraph (A) of this paragraph, and shall not apply to individual payments made during a

taxable year under such agreement except to the extent such limitation on an aggregate basis has been reached.

(3) Geothermal energy system equipment. The term "geothermal energy system equipment" shall mean a system whose original use begins with the taxpayer; which meets the eligibility criteria, if any, prescribed by the department; and which is a ground coupled solar thermal system that utilizes the solar thermal energy stored in the ground or in bodies of water to produce heat, and which is commonly known as or referred to as a ground source heat pump system.

(4) Multiple taxpayers. Where geothermal energy system equipment is purchased and installed in a principal residence shared by two or more taxpayers, the amount of the credit allowable under this subsection for each such taxpayer shall be prorated according to the percentage of the total expenditure for such geothermal energy system equipment contributed by each taxpayer.

(5) Proportionate share. Where geothermal energy system equipment is purchased and installed by a condominium management association or a cooperative housing corporation, a taxpayer who is a member of the condominium management association or who is a tenant-stockholder in the cooperative housing corporation may for the purpose of this subsection claim a proportionate share of the total expense as the expenditure for the purposes of the credit attributable to his principal residence.

(6) Grants. For purposes of determining the amount of the expenditure incurred in purchasing and installing geothermal energy system equipment, the amount of any federal, state or local grant received by the taxpayer, which was used for the purchase and/or installation of such equipment and which was not included in the federal gross income of the taxpayer, shall not be included in the amount of such expenditures.

(7) When credit allowed. The credit provided for herein shall be allowed with respect to the taxable year, commencing after two thousand twenty-two, in which the geothermal energy system equipment is placed in service.

(8) Carryover of credit. If the amount of the credit, and carryovers of such credit, allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years.

§ 2. This act shall take effect immediately and shall apply to taxable years commencing on and after January 1, 2022.

PART JJ

Section 1. Article 4 of the real property tax law is amended by adding a new title 6 to read as follows:

TITLE 6

CHILDCARE CENTER TAX ABATEMENT FOR CERTAIN PROPERTIES IN A CITY HAVING A POPULATION OF ONE MILLION OR MORE

Section 499-aaaaa. Definitions.
499-bbbbb. Real property tax abatement.
499-ccccc. Application for tax abatement.
499-ddddd. Continuing requirements.
499-eeeee. Revocation of tax abatement.
499-fffff. Enforcement and administration.

§ 499-aaaaa. Definitions. When used in this title, the following terms shall have the following meanings:

1. "Abatement period" means the tax year or tax years in which the abatement is applied by the department of finance to the real property tax liability of an eligible building, provided that such abatement may not be applied to the real property tax liability of such building during more than five tax years.

2. "Applicant" means an owner who files an application for tax abatement.

3. "Application for tax abatement" means an application for a childcare center tax abatement pursuant to section four hundred ninety-nine-ccccc of this title.

4. "Childcare center" means a childcare program for which a permit to operate such program has been issued by the department of health and mental hygiene pursuant to the health code of the city.

5. "Childcare desert" means a census tract in a city having a population of one million or more where, at the time of an application for tax abatement, there are three or more children under five years of age for each available childcare slot, or where there are no available childcare slots, as determined by the office of children and family services.

6. "City" means a city with a population of one million or more.

7. "Cost-reasonable" means having a cost that, in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

8. "Department of finance" means the department of finance of a city having a population of one million or more.

9. "Department of health and mental hygiene" means the department of health and mental hygiene of a city having a population of one million or more.

10. "Designated agency" means an agency of a city having a population of one million or more that is designated by the mayor of such city to exercise the functions, powers and duties of a designated agency pursuant to this title.

11. "Eligible building" means a class one, class two or class four property, as such classes of property are defined in subdivision one of section eighteen hundred two of this chapter, located within a city having a population of one million or more, provided that, for any such property held in the condominium form of ownership, "eligible building" shall mean a tax lot in such property.

12. "Owner" means the owner of an eligible building, or with respect to an eligible building held in the cooperative form of ownership, the board of directors of a cooperative apartment corporation, or, with respect to an eligible building held in the condominium form of ownership, an owner of a tax lot in such building or the board of managers of such building.

13. "Premises" means the location of a childcare center as specified on the permit for the operation of such center issued by the department of health and mental hygiene pursuant to the health code of the city.

§ 499-bbbbb. Real property tax abatement. 1. The department of finance shall provide an abatement of real property taxes pursuant to this section to an eligible building in which construction, conversion, alteration or improvement that is completed on or after April first, two thousand twenty-two has resulted in the creation of a premises of a childcare center or in an increase in the maximum number of children allowed on the premises of an existing childcare center when such center is in operation, as such number is specified in the permit issued by the

department of health and mental hygiene to operate such center. The department of finance may only grant one such abatement to any eligible building.

2. (a) Beginning in the tax year commencing on or after July first, two thousand twenty-three, the amount of such tax abatement provided to an eligible building described in subdivision one of this section shall be equal to the costs incurred in the construction, conversion, alteration or improvement that has resulted in the creation of a premises of a childcare center or in an increase in the maximum number of children allowed on the premises of an existing childcare center, provided that such costs are certified in accordance with paragraph (d) of subdivision two of section four hundred ninety-nine-ccccc of this title, and provided further that, during the abatement period, the amount of such abatement shall not exceed thirty-five dollars for each square foot of the premises, nor exceed one hundred thousand dollars.

(i) For any tax year, such abatement shall not exceed seven dollars for each square foot of the premises, provided that such amount may be reduced as a result of an allocation of available funds for such abatement pursuant to paragraph (d) of this subdivision; and provided, further, that the amount of such tax abatement in any tax year shall not exceed the lesser of (A) twenty thousand dollars or (B) the real property tax liability for the eligible building in the tax year in which such tax abatement is taken.

(ii) To the extent the amount of such tax abatement exceeds the lesser of (A) twenty thousand dollars or (B) the real property tax liability of the eligible building in any tax year, any amount of such tax abatement that remains may be applied to the real property tax liability of such building in succeeding tax years, provided that such abatement must be applied to the real property tax liability of such building in one or more of the four tax years succeeding the tax year in which such tax abatement was initially taken.

(b) Notwithstanding paragraph (a) of this subdivision, an enhanced tax abatement shall be provided to an eligible building described in subdivision one of this section that is located within a childcare desert as described in this title and in any rules promulgated hereunder. Beginning in the tax year commencing on or after July first, two thousand twenty-three, the amount of such enhanced tax abatement shall be equal to the costs incurred in the construction, conversion, alteration or improvement that has resulted in the creation of a premises of a childcare center or in an increase in the maximum number of children allowed on the premises of an existing childcare center, provided that such costs are certified in accordance with paragraph (d) of subdivision two of section four hundred ninety-nine-ccccc of this title, and provided further that, during the abatement period, the amount of such abatement shall not exceed seventy-five dollars for each square foot of the premises nor exceed two hundred twenty-five thousand dollars.

(i) For any tax year, such abatement shall not exceed fifteen dollars for each square foot of the premises, provided that such amount may be reduced as a result of an allocation of available funds for such abatement pursuant to paragraph (d) of this subdivision; and provided further that the amount of such enhanced tax abatement in any tax year shall not exceed the lesser of (A) forty-five thousand dollars or (B) the real property tax liability for the eligible building in the tax year in which such tax abatement is taken.

(ii) To the extent the amount of such enhanced tax abatement exceeds the lesser of (A) forty-five thousand dollars or the (B) real property

tax liability of the eligible building in any tax year, any amount of such tax abatement that remains may be applied to the real property tax liability of such building in succeeding tax years, provided that such abatement must be applied to the real property tax liability of such building in one or more of the four tax years succeeding the tax year in which the tax abatement was initially taken.

(c) Notwithstanding paragraph (a) or (b) of this subdivision, the aggregate amount of tax abatements authorized pursuant to this section for any tax year shall be a maximum of twenty-five million dollars. No tax abatements shall be authorized pursuant to this section for any tax year commencing on or after July first, two thousand thirty.

(d) Such aggregate amount of tax abatements, including the tax abatement described in paragraph (a) of this subdivision and the enhanced tax abatement described in paragraph (b) of this subdivision, shall be allocated by the department of finance on a pro rata basis among applicants whose applications have been approved by the designated agency. If such allocation is not made prior to the date that the real property tax bill, statement of account or other similar bill or statement is prepared, the department of finance shall, as necessary, after such allocation is made, submit an amended real property tax bill, statement of account or other similar bill or statement to any applicant whose abatement requires adjustment to reflect such allocation. Nothing in this paragraph shall be deemed to affect the obligation of any taxpayer under applicable law with respect to the payment of any installment of real property tax for the fiscal year as to which such allocation is made, which was due and payable prior to the date such amended real property tax bills are sent, and the department of finance shall be authorized to determine the date on which any such amended bills be sent and the installments of real property tax be reflected therein.

(e) Notwithstanding any law to the contrary, any abatement granted to an eligible building pursuant to this section shall be in addition to any other abatement or exemption granted to such building, provided that any abatement granted under this section shall be applied after any other abatement or exemption granted to such building, and provided further that the application of this abatement after any other such exemption or abatement shall not exceed the real property tax liability due on such eligible property.

3. Such abatement shall commence on the first of July following the approval of an application for abatement by the designated agency.

4. If, as a result of application to the tax commission or a court order or action by the department of finance, the billable assessed value of the eligible building for the fiscal year in which the tax abatement is taken is reduced after the assessment roll becomes final, the department of finance shall recalculate such abatement so that the abatement granted shall not exceed the annual tax liability of such building as so reduced. The amount equal to the difference between the initial abatement granted by the department and the abatement as so recalculated shall be deducted from any refund otherwise payable or remission otherwise due as a result of such reduction in billable assessed value.

§ 499-ccccc. Application for tax abatement. 1. To obtain a tax abatement authorized by this title, an application for tax abatement shall be filed with a designated agency no later than the fifteenth of March before the tax year, commencing on the first of July, for which the tax abatement authorized by this title is sought, provided, however, that

such application for tax abatement may not be filed later than March fifteenth, two thousand twenty-five.

2. Such application shall contain the following:

(a) The name, address and electronic mail address of the applicant and the location of the eligible building.

(b) Proof that all required permits and other approvals, as further designated by rule, to construct, convert, alter or improve the premises of the childcare center in the eligible building described in subdivision one of section four hundred ninety-nine-bbbbb of this title were obtained.

(c) Proof that the applicant has entered into a lease or other agreement with a person to operate a childcare center in the eligible building described in subdivision one of section four hundred ninety-nine-bbbbb of this title, or a copy of the new or amended permit issued to such childcare center by the department of health and mental hygiene for such operation.

(d) Determinations that have been certified, in a form prescribed by the designated agency, by an engineer, architect, or certified public accountant, licensed and registered pursuant to the education law, or by another certified or licensed professional in the field of business or design, as further designated by rule, as follows:

(i) The area, in square feet, of the premises of the childcare center in the eligible building described in subdivision one of section four hundred ninety-nine-bbbbb of this title;

(ii) The costs incurred in the construction, conversion, alteration or improvement that has resulted in the creation of a premises of a childcare center in such building; or, for construction, conversion, alteration or improvement resulting in an increase in the maximum number of children allowed on the premises of an existing childcare center in such building, such costs that were necessary to increase the maximum number of children allowed on such premises; and

(iii) The reasonableness of the costs to construct, convert, alter or improve the premises of the childcare center in the eligible building described in subdivision one of section four hundred ninety-nine-bbbbb, which requires finding that such costs were cost-reasonable and comparable to the cost of constructing, converting, altering or improving a premises of a childcare center pursuant to the health code of the city in a similar eligible building.

(e) Any other information or certifications required by a designated agency pursuant to this title and the rules promulgated hereunder.

3. An application for tax abatement shall be in any format prescribed by a designated agency, including electronic form.

4. An application for tax abatement shall be approved by a designated agency upon determining that the applicant has submitted proof acceptable to such agency that the requirements for obtaining such tax abatement have been satisfied. The burden of proof shall be on the applicant to show by clear and convincing evidence that the requirements for granting such tax abatement have been satisfied.

5. Upon receipt of notification from a designated agency that an application for tax abatement has been approved, the department of finance shall apply such tax abatement to the real property tax liability of the eligible building for the tax year for which the abatement was sought, provided that there are no outstanding real property taxes, water and sewer charges, payments in lieu of taxes or other municipal charges with respect to the eligible building.

§ 499-ddddd. Continuing requirements. Granting of the tax abatement authorized by this title requires that an owner whose application for tax abatement has been approved:

1. complies with all applicable provisions of law, including but not limited to, the local health, building and fire codes; and

2. does not have real property taxes, water and sewer charges, payments in lieu of taxes or other municipal charges with respect to an eligible building due and owing during the abatement period for a period of six months or more.

§ 499-eeeee. Revocation of tax abatement. 1. Notwithstanding any provision of law to the contrary, the department of finance shall revoke, in whole or in part, any tax abatement granted pursuant to this title whenever a designated agency has determined and notified such department that:

(a) The childcare center in the eligible building of the owner whose application for tax abatement has been approved has ceased operation as a childcare center for a period exceeding one hundred eighty days of the abatement period, except when such childcare center ceases operation due to an act or event beyond the control and without any fault or negligence of the childcare center or of the owner of the eligible building in which such childcare center operates, which may include, but is not limited to, fire, flood, earthquake, storm or other natural disaster, civil commotion, war, terrorism, riot, and labor disputes not brought about by any act or omission of such childcare center or such owner; or

(b) An application, certification, report or other document submitted by the owner whose application for tax abatement has been approved contains a false or misleading statement as to a material fact or omits to state any material fact necessary in order to make the statement therein not false or misleading.

2. The department of finance may revoke, in whole or in part, any tax abatement granted pursuant to this title whenever it has determined that an owner whose application for tax abatement has been approved has outstanding real property taxes, water and sewer charges, payments in lieu of taxes or other municipal charges that have been due and owing during the abatement period for a period of six months or more.

3. Upon a determination by a designated agency, after notice and an opportunity to be heard, that the childcare center in the eligible building of the owner whose application for tax abatement has been approved has ceased operation as a childcare center for a period exceeding one hundred eighty days of the abatement period, such agency shall notify the department of finance of such determination no later than the ninetieth day after such determination was reached.

4. An owner whose application for tax abatement has been approved, and for whom such tax abatement has been revoked due to a false or misleading statement, or an omission, pursuant to paragraph (b) of subdivision one of this section, shall pay, with interest, such part of any tax abatement received pursuant to this title that represents the period of non-compliance as determined by the designated agency or the department of finance, as the case may be.

§ 499-fffff. Enforcement and administration. 1. The department of finance shall have, in addition to any other functions, powers and duties that have been or may be conferred on it by law, the following functions, powers and duties to be exercised in accordance with this title:

(a) to apply the tax abatement authorized by this title to the real property tax liability of an eligible building;

(b) to revoke all or part of any such tax abatement;

(c) to promulgate rules to carry out the purposes of this title, including, but not limited to, requiring, notwithstanding any inconsistent provision of law, that any submission be made in electronic form; and

(d) any other function, power or duty necessarily implied by this title.

2. A designated agency shall have, in addition to any other functions, powers and duties that have been or may be conferred on it by law, the following functions, powers and duties to be exercised in accordance with this title:

(a) to accept, review, approve and deny applications for tax abatement;

(b) to promulgate rules to carry out the purposes of this title, including, but not limited to, requiring, notwithstanding any inconsistent provision of law, that any submission be made in electronic form;

(c) to make the determinations provided for in this title; and

(d) any other function, power or duty necessarily implied by this title.

3. If a designated agency determines that an architect, engineer, certified public accountant, or other certified or licensed professional in the field of business or design whom such agency designates by rule, in making any certification under this title or any rule promulgated hereunder, engaged in professional misconduct, such agency shall so inform the education department or other appropriate certifying or licensing authority.

§ 2. This act shall take effect immediately and shall apply to tax years beginning on and after July 1, 2023.

PART KK

Section 1. Paragraph 1 of subsection (f) of section 1310 of the tax law, as added by section 2 of part V of chapter 60 of the laws of 2004, is amended to read as follows:

(1) Notwithstanding any other provision of law to the contrary, any city having a population of one million or more, acting through its local legislative body, is hereby authorized and empowered to adopt and amend local laws granting in any such city, for taxable years beginning after two thousand three, a credit against the city personal income tax equal to five percent of the earned income credit allowed under section thirty-two of the internal revenue code for the same taxable year, and, for taxable years beginning after two thousand twenty-one, a credit against the city personal income tax equal to a percentage, determined pursuant to subparagraphs (A) through (I) of this paragraph, of the earned income credit allowed under section thirty-two of the internal revenue code for the same taxable year. For purposes of this paragraph, "adjusted gross income" means New York adjusted gross income as determined pursuant to article twenty-two of this chapter. The percentage shall be:

(A) thirty percent, where the taxpayer's adjusted gross income for such taxable year is less than $5,000;

(B) thirty percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $4,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $5,000 and less than $7,500;

(C) twenty-five percent, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $7,500 and less than $15,000;

(D) twenty-five percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $14,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $15,000 and less than $17,500;

(E) twenty percent, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $17,500 and less than $20,000;

(F) twenty percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $19,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $20,000 and less than $22,500;

(G) fifteen percent, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $22,500 and less than $40,000;

(H) fifteen percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $39,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $40,000 and less than $42,500; and

(I) ten percent where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $42,500.

§ 2. Paragraph 1 of subdivision (d) of section 11-1706 of the administrative code of the city of New York, as added by local law number 39 for the year 2004, is amended to read as follows:

(1) For taxable years beginning after two thousand three, a credit against the city personal income tax shall be allowed, equal to five percent of the earned income credit allowed under section thirty-two of the internal revenue code for the same taxable year, and, for taxable years beginning after two thousand twenty-one, a credit against the city personal income tax shall be allowed, equal to a percentage determined pursuant to subparagraphs (A) through (I) of this paragraph, of the earned income credit allowed under section thirty-two of the internal revenue code for the same taxable year. For purposes of this paragraph, "adjusted gross income" means New York adjusted gross income as determined pursuant to article twenty-two of the tax law. The percentage shall be:

(A) thirty percent, where the taxpayer's adjusted gross income for such taxable year is less than $5,000;

(B) thirty percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $4,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $5,000 and less than $7,500;

(C) twenty-five percent, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $7,500 and less than $15,000;

(D) twenty-five percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $14,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $15,000 and less than $17,500;

(E) twenty percent, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $17,500 and less than $20,000;

(F) twenty percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of such taxpayer's adjusted gross income for such taxable year in excess of $19,999, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $20,000 and less than $22,500;

(G) fifteen percent, where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $22,500 and less than $40,000;

(H) fifteen percent reduced by the product of two-tenths of a percentage point (0.002) and the amount of the taxpayer's adjusted gross income for such taxable year in excess of $39,999, where such taxpayer's adjusted gross income for such taxable year is equal to or greater than $40,000 and less than $42,500; and

(I) ten percent where the taxpayer's adjusted gross income for such taxable year is equal to or greater than $42,500.

§ 3. This act shall take effect immediately, and shall apply to taxable years beginning on and after January 1, 2022.

PART LL

Section 1. The tax law is amended by adding a new section 45 to read as follows:

§ 45. Empire state digital gaming media production credit. (a) Allowance of credit. (1) A taxpayer which is a digital gaming media production entity engaged in qualified digital gaming media production, or who is a sole proprietor of or a member of a partnership, which is a digital gaming media production entity engaged in qualified digital gaming media production, and is subject to tax under article nine-A or twenty-two of this chapter, shall be allowed a credit against such tax to be computed as provided herein.

(2) The amount of the credit shall be the product (or pro rata share of the product, in the case of a member of a partnership or limited liability company) of twenty-five percent and the eligible production costs of one or more qualified digital gaming media productions.

(3) Eligible digital gaming media production costs for a qualified digital gaming media production incurred and paid in this state but outside such metropolitan commuter transportation district shall be eligible for a credit of ten percent of such eligible production costs in addition to the credit specified in paragraph two of this subdivision.

(4) Eligible production costs shall not include those costs used by the taxpayer or another taxpayer as the basis calculation of any other tax credit allowed under this chapter or allowed in any other state.

(b) Allocation of credit. The aggregate amount of tax credits allowed under this section, subdivision fifty-five of section two hundred ten-B and subsection (nnn) of section six hundred six of this chapter in any taxable year shall be twenty million dollars. The aggregate amount of credits for any taxable year must be distributed on a regional basis as follows: twenty-five percent of the aggregate amount of credits shall be available for qualified digital gaming media productions that incur at least sixty percent of eligible production costs for a qualified digital gaming media production in region one; ten percent of the aggregate amount of credits shall be available for qualified digital gaming media

productions that incur at least sixty percent of eligible production costs for a qualified digital gaming media production in region two; and sixty-five percent of the aggregate amount of credits shall be available for qualified digital gaming media productions that incur at least sixty percent of eligible production costs for a qualified digital gaming media production in region three. If such regional distribution is not fully allocated in any taxable year, the remainder of such credits shall be available for allocation to any region in the subsequent tax year. For the purposes of this section region one shall contain the city of New York; region two shall contain the counties of Westchester, Rockland, Nassau and Suffolk; and region three shall contain any county not contained in regions one and two. Such credit shall be allocated by the empire state development corporation among taxpayers in order of priority based upon the date of filing an application for allocation of digital gaming media production credit with such office. If the total amount of allocated credits applied for in any particular year exceeds the aggregate amount of tax credits allowed for such year under this section, such excess shall be treated as having been applied for on the first day of the subsequent taxable year.

(c) Definitions. As used in this section:

(1) "Qualified digital gaming media production" means: (i) a website, the digital media production costs of which are paid or incurred predominately in connection with (A) video simulation, animation, text, audio, graphics or similar gaming related property embodied in digital format, and (B) interactive features of digital gaming (e.g., links, message boards, communities or content manipulation); (ii) video or interactive games produced primarily for distribution over the internet, wireless network or successors thereto; (iii) animation, simulation or embedded graphics digital gaming related software intended for commercial distribution regardless of medium; and (iv) a digital gaming media production in which qualified digital gaming media production costs equal to or are in excess of seven thousand five hundred dollars if incurred and paid in this state in twelve months preceding the date on which the credit is claimed. Provided, however, if such production costs are incurred and paid outside the metropolitan commuter transportation district in this state, such production costs shall be equal to or in excess of three thousand seven hundred fifty dollars to be a qualified digital gaming media production for purposes of this paragraph. A qualified digital gaming media production does not include a website, video, interactive game or software that is used predominately for: electronic commerce (retail or wholesale purposes other than the sale of video or interactive games), gambling (including activities regulated by a New York gaming agency), exclusive local consumption for entities not accessible by the general public including industrial or other private purposes, and political advocacy purposes.

(2) "Digital gaming media production costs" means any costs for property used and wages or salaries paid to individuals directly employed for services performed by those individuals directly and predominantly in the creation of a digital gaming media production or productions. Digital gaming media production costs include but shall not be limited to payments for property used and services performed directly and predominantly in the development (including concept creation), design, production (including concept creation), design, production (including testing), editing (including encoding) and compositing (including the integration of digital files for interaction by end users) of digital gaming media. Digital gaming media production costs shall not include

expenses incurred for the distribution, marketing, promotion, or advertising content generated by end-users or other costs not directly and predominantly related to the creation, production or modification of digital gaming media. In addition, salaries or other income distribution related to the creation of digital gaming media for any person who serves in the role of chief executive officer, chief financial officer, president, treasurer or similar position shall not be included as digital gaming media production costs. Furthermore, any income or other distribution to any individual who holds an ownership interest in a digital gaming media production entity shall not be included as digital gaming media production costs.

(3) "Qualified digital gaming media production costs" means digital gaming media production costs only to the extent such costs are attributable to the use of property or the performance of services by any persons within the state directly and predominantly in the creation, production or modification of digital gaming related media. Such total production costs incurred and paid in this state shall be equal to or exceed seventy-five percent of total cost of an eligible production incurred and paid within and without this state.

(d) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) Article nine-A: section two hundred ten-B, subdivision fifty-five.

(2) Article twenty-two: section six hundred six, subsection (i), paragraph one, subparagraph (B), clause (xlvi).

(3) Article twenty-two: section six hundred six, subsection (nnn).

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

55. Empire state digital gaming media production credit. (a) Allowance of credit. A taxpayer who is eligible pursuant to section forty-five of this chapter shall be allowed a credit to be computed as provided in such section forty-five against the tax imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. Provided, however, that if the amount of the credit allowable under this subdivision for any taxable year reduces the tax to such amount, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter, provided, however, no interest shall be paid thereon.

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

(xlvi) Empire state digital gaming media production credit under subsection (nnn)	Amount of credit under subdivision fifty-five of section two hundred ten-B

§ 4. Section 606 of the tax law is amended by adding a new subsection (nnn) to read as follows:

(nnn) Empire state digital gaming media production credit. (1) Allowance of credit. A taxpayer who is eligible pursuant to section forty-five of this chapter shall be allowed a credit to be computed as provided in such section forty-five against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowable under this subsection for any taxable year exceeds the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded as provided in section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

(3) With regard to certificates of tax credit issued, the commissioner of economic development shall reduce by one-half of one percent the amount of credit allowed to a taxpayer and this reduced amount shall be reported on a certificate of tax credit issued pursuant to this section and the regulations promulgated by the commissioner of economic development to implement this credit program.

(4) By January thirty-first of each year, the commissioner of economic development shall report to the comptroller the total amount of such reductions of tax credit during the immediately preceding calendar year. On or before March thirty-first of each year, the comptroller shall transfer without appropriations from the general fund to the empire state digital gaming diversity job training development fund established under section ninety-seven-bbbbb of the state finance law an amount equal to the total amount of such reductions reported by the commissioner of economic development for the immediately preceding calendar year.

§ 5. The state commissioner of economic development, after consulting with the state commissioner of taxation and finance, shall promulgate regulations by December 31, 2022 to establish procedures for the allocation of tax credits as required by subdivision (a) of section 45 of the tax law. Such rules and regulations shall include provisions describing the application process, the due dates for such applications, the standards which shall be used to evaluate the applications, the documentation that will be provided to taxpayers substantiate to the New York state department of taxation and finance the amount of tax credits allocated to such taxpayers, under what conditions all or a portion of this tax credit may be revoked, and such other provisions as deemed necessary and appropriate. Notwithstanding any other provisions to the contrary in the state administrative procedure act, such rules and regulations may be adopted on an emergency basis if necessary to meet such December 31, 2022 deadline.

§ 6. The economic development law is amended by adding a new section 242 to read as follows:

§ 242. Reports on the digital gaming industries in New York. 1. The empire state development corporation shall file a report on a biannual basis with the director of the division of the budget and the chairpersons of the assembly ways and means committee and senate finance committee. The report shall be filed no later than thirty days before the mid-point and the end of the state fiscal year. The first report shall cover the calendar half year that begins on January first, two thousand twenty-four. Each report must contain the following information for the covered calendar half year:

(a) the total dollar amount of credits allocated pursuant to section forty-five of the tax law during the half year, broken down by month;

(b) the number of digital gaming projects, which have been allocated tax credits of less than one million dollars per project, and the total dollar amount of credits allocated to those projects distributed by region pursuant to subdivision (b) of section forty-five of the tax law;

(c) the number of digital gaming projects, which have been allocated tax credits of more than one million dollars, and the total dollar amount of credits allocated to those projects distributed by region pursuant to subdivision (b) of section forty-five of the tax law;

(d) a list of each eligible digital gaming project, which has been allocated a tax credit enumerated by region pursuant to subdivision (b) of section forty-five of the tax law, and for each of those projects, (i) the estimated number of employees associated with the project, (ii) the estimated qualifying costs for the projects, (iii) the estimated total costs of the project, (iv) the credit eligible employee hours for each project, and (v) total wages for such credit eligible employee hours for each project; and

(e) (i) the name of each taxpayer allocated a tax credit for each project and the county of residence or incorporation of such taxpayer or, if the taxpayer does not reside or is not incorporated in New York, the state of residence or incorporation; however, if the taxpayer claims a tax credit because the taxpayer is a member of a limited liability company, a partner in a partnership or a shareholder in a subchapter S corporation, the name of each limited liability company, partnership or subchapter S corporation earning any of those tax credits must be included in the report instead of information about the taxpayer claiming the tax credit, (ii) the amount of tax credit allocated to each taxpayer; provided however, if the taxpayer claims a tax credit because the taxpayer is a member of a limited liability company, a partner in a partnership or a shareholder in a subchapter S corporation, the amount of tax credit earned by each entity must be included in the report instead of information about the taxpayer claiming the tax credit, and (iii) information identifying the project associated with each taxpayer for which a tax credit was claimed under section forty-five of the tax law.

2. The empire state development corporation shall file a report on a triennial basis with the director of the division of the budget and the chairpersons of the assembly ways and means committee and senate finance committee. The first report shall be filed no later than March first, two thousand twenty-five. The report must be prepared by an independent third party auditor and include: (a) information regarding the empire state digital gaming production credit program including the efficiency of operations, reliability of financial reporting, compliance with laws and regulations and distribution of assets and funds; (b) an economic impact study prepared by an independent third party of the program with special emphasis on the regional impact by region and the total dollar amount of credits allocated to those projects distributed by region pursuant to subdivision (b) of section forty-five of the tax law; and (c) any other information or statistical information that the commissioner of economic development deems to be useful in analyzing the effects of the programs.

§ 7. The state finance law is amended by adding a new section 97-bbbbb to read as follows:

§ 97-bbbbb. Empire state digital gaming diversity job training development fund. 1. There is hereby established in the joint custody of the commissioner of taxation and finance and the comptroller, a special fund to be known as the empire state digital gaming diversity job training development fund.

2. Such fund shall consist of the funds transferred by the comptroller to the fund from the general fund without appropriation, as determined under subsection (nnn) of section six hundred six of the tax law. Nothing contained herein shall prevent the state from receiving grants, gifts, or bequests for the fund and depositing them into the fund according to law.

3. Monies in the fund shall be expended only for job creation and training programs approved by the commissioner of economic development that support efforts to recruit, hire, promote, retain, develop and train a diverse and inclusive workforce as production company employees in the digital gaming industry within the state of New York including, but not limited to, those programs that promote development in economically distressed areas of the state. The commissioner of economic development shall promulgate regulations that set forth relevant definitions, minimum standards, and criteria for such fund and eligible training programs.

4. Monies shall be payable from the fund on the audit and warrant of the comptroller on vouchers approved and certified by the commissioner of economic development.

§ 8. This act shall take effect immediately and shall apply to taxable years beginning on January 1, 2022 and before January 1, 2027; provided that sections one through four of this act shall expire and be deemed repealed December 31, 2026.

PART MM

Section 1. Paragraph (w) of subdivision 1 of section 1367 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part Y of chapter 59 of the laws of 2021, is amended to read as follows:

(w) "Sports wager" means cash or cash equivalent **or thing of value** that is paid by an authorized sports bettor to a casino or a mobile sports wagering licensee to participate in sports wagering offered by such casino or mobile sports wagering licensee;

§ 2. Paragraph (y) of subdivision 1 of section 1367 of the racing, pari-mutuel wagering and breeding law, as amended by section 3 of part Y of chapter 59 of the laws of 2021, is amended to read as follows:

(y) "Sports wagering gross revenue" means: (i) the amount equal to the total of all sports wagers not attributable to prohibited sports events that a **casino or** mobile sports wagering licensee collects from all sports bettors, less the total of all sums not attributable to prohibited sports events paid out as winnings to all sports bettors, however, that the total of all sums paid out as winnings to sports bettors shall not include the cash equivalent value of any merchandise or thing of value awarded as a prize;

§ 3. Subdivision 7 of section 1367 of the racing, pari-mutuel wagering and breeding law, as added by section 3 of part Y of chapter 59 of the laws of 2021, is amended to read as follows:

7. For the privilege of conducting sports wagering in the state, casinos shall pay a tax equivalent to ten percent of their sports wagering gross gaming revenue, excluding sports wagering gross gaming revenue attributed to mobile sports wagering offered pursuant to section thirteen hundred sixty-seven-a of this title. Platform providers shall pay a tax constituting a certain percentage of the sports wagering gross gaming revenue attributed to mobile sports wagering offered through such platform provider's platform pursuant to section thirteen hundred sixty-seven-a of this title; provided however, that such percentage shall be determined [~~**pursuant to a competitive bidding process conducted by the commission**~~] as outlined in subdivision seven of section thirteen hundred sixty-seven-a of this title; and provided further, that such percentage shall be no lower than twelve percent. When awarding a license pursuant to section thirteen hundred sixty-seven-a of this

title, the commission may set graduated tax rates; provided however, that any such tax rates may not be lower than the minimum rate established in this subdivision.

§ 4. Subdivision 7 of section 1367-a of the racing, pari-mutuel wagering and breeding law, as added by section 4 of part Y of chapter 59 of the laws of 2021, is amended and a new subdivision 8 is added to read as follows:

7. A platform provider may be licensed by the commission only after having been selected for potential licensure by the commission following a competitive bidding process in which the commission shall issue a request for applications no later than July first, two thousand twenty-one; provided however, that the deadline for submission of applications shall be no later than thirty days after the date upon which the commission issues such request for applications.

(a) The commission shall select platform providers based upon the criteria set forth in this section no later than one hundred fifty days, to the extent practicable, after the final application is received. The commission may disqualify applicants from licensure consideration if the applicant or the mobile sports wagering operator or operators included in their bid have not satisfied provision of required application information, fail to meet any platform provider and mobile sports wagering operator eligibility criteria established pursuant to the request for applications, or are deemed by the commission to have not satisfied the criteria pursuant to subdivision five of this section.

(a-1) The commission shall publish on its website the criteria that will be used to score applications based upon the criteria set forth in paragraph (c) of this subdivision; provided however, that such scoring methodology shall award additional points to an applicant that has entered into an agreement that includes revenue sharing related to such mobile sports wagering with compacted Native American tribe(s) or nation(s).

(b) The commission shall determine the form of application for bidders, which shall require, at a minimum, the following information:

(i) Different scenarios for the number of platform providers and number of mobile sports wagering operators licensed by the commission. For each scenario, this shall include estimates of mobile sports wagering gross gaming revenue and the bases for such estimates[~~, the percentage of gross revenue from mobile sports wagering the applicant will pay to the state for the privilege of licensure if chosen~~], and the percentage of overall mobile sports wagering gross gaming revenue estimated to be generated;

(ii) The number of mobile sports wagering operators the applicant will host on its mobile sports wagering platform, if the applicant is licensed as a platform provider;

(iii) A description of how the applicant will use technology to ensure all bettors are physically within approved locations within the state, that any wager is accepted through equipment physically located at a licensed gaming facility and that necessary safeguards against abuses and addictions are in place;

(iv) The applicant and any associated operators such applicant proposes in its application possess the qualifications, capabilities and experience to provide a mobile sports wagering platform;

(v) A list of all jurisdictions where the applicant and parent company, and mobile sports wagering operator or operators and parent company or companies have been licensed or otherwise authorized by contract or otherwise to conduct sports wagering operations. This shall include the

applicant and its mobile sports wagering operator or operators' experience in such other markets;

(vi) Player acquisition model, advertising and affiliate programs and marketing budget, including details on how the applicant and its mobile sports wagering operator or operators will convert customers from wagering through illegal channels to wagering legally in the state;

(vii) Timeframe to implement mobile sports wagering from award of license;

(viii) The applicant and mobile sports wagering operator or operators' capacity to bring authorized sports bettors into their mobile sports wagering platform; and

(ix) Integrity monitoring and reporting including any current affiliations related to integrity monitoring.

(c) In determining whether an applicant shall be eligible for a platform provider license, the commission shall evaluate how each applicant proposes to maximize sustainable, long-term revenue for the state by evaluating the following factors:

(i) A market analysis detailing the benefits of the applicant's bid as it relates to maximizing revenue to the state;

(ii) Estimates of mobile sports wagering gross gaming revenue generated by the applicant under different scenarios;

(iii) The percentage of mobile sports wagering gross gaming revenue to be paid to the state under different scenarios;

(iv) The potential market share of the mobile sports wagering operator or operators under different scenarios;

(v) Advertising and promotional plans of the mobile sports wagering operator or operators;

(vi) Past experience and expertise in the market of the applicant and any mobile sports wagering operator or operators which are part of such applicant's application;

(vii) The applicant's capacity to rapidly and effectively bring authorized sports bettors into its platform;

(viii) A demonstration of how and to what degree the applicant fosters racial, ethnic, and gender diversity in its workforce;

(ix) Timeframe to implement mobile sports wagering from award of license;

(x) Any other factors that could impact the integrity, sustainability or safety of the mobile sports wagering system; and

(xi) Any other factors that could impact revenue to the state.

(d) The commission shall award a license to [~~each of the two~~] **the** highest scoring platform providers that submit applications; provided however, that such awards shall require that [~~both~~] winning platform providers pay the same tax rate; and provided further, that the commission shall [~~require that no less than four~~] **be authorized to license up to fourteen** mobile sports wagering operators [~~will be operating in the state~~] **by January thirty-first, two thousand twenty-three and sixteen by January thirty-first, two thousand twenty-four. In the event that the commission fails to approve the required number of operators by these deadlines, it shall not interfere with the ability of previously licensed platforms or operators to continue to operate in the state. For any applicant licensed after January first, two thousand twenty-two, such tax rate shall be set at the same amount that is applicable to previously licensed applicants**. The commission may award additional licenses if it determines that such additional awards are in the best interests of the state; provided however, that any additional platform providers awarded licenses must also agree to pay the same tax rate as

those platform providers that were initially awarded licenses by the commission. The award of any such license shall require each applicant to remit the highest percentage of gross gaming revenue from mobile sports wagering contained in an applicant's bid selected by the commission considered for licensure. A qualified applicant shall be afforded the ability to revise its bid in any such manner in order for such bid to meet the percentage of gross gaming revenue from mobile sports wagering as required by the commission for license award, provided that the bid does not incorporate any additional operators not already included in the bid; and provided however that it is not determined by the commission that the revised bid no longer meets all requirements and criteria established pursuant to this section and the request for applications. Any applicant that does not revise its bid to meet the percentage of gross gaming revenue from mobile sports wagering required by the commission for license award shall not be awarded a license.

8. Pursuant to subdivision seven of this section, the commission shall hold a competitive bidding process and award no less than two but no more than five additional mobile sports wagering licenses by January thirty-first, two thousand twenty-three.

(a) The commission shall accept applications for mobile sports wagering licenses issued pursuant to this subdivision at the earlier of thirty days after all mobile sports wagering licensees awarded a license pursuant to subdivision seven of this section commence operations or September first, two thousand twenty-two.

(b) Applicants that participated in the request for proposals issued pursuant to subdivision seven of this section and not awarded a mobile sports wagering license shall be eligible to reapply for consideration pursuant to this subdivision.

(i) Nothing herein shall prohibit a platform provider that did not previously respond to the request for applications from applying. New applicants shall submit applications demonstrating the criteria outlined in paragraphs (a-1), (b), and (c) of subdivision seven of this section.

(ii)(1) When establishing scoring criteria for new mobile sports wagering applications after January first, two thousand twenty-one, the commission shall provide that such scoring affords no less than fifteen percent weighting to a diversity framework established by the commission that takes into account the utilization and employment of minorities, women and service-disabled veterans in permanent and part-time jobs at an applicant's corporate entity, as well as diversity in the ownership and leadership of the corporate entity which seeks to apply for a mobile sports wagering license.

(2) In establishing such framework under this subparagraph, the commission shall consult with the division of minority and women's business development in the department of economic development to achieve the maximum feasible participation of minority and women-owned businesses. Guidelines for such framework may include, but not be limited to, an applicant's:

(A) ability to identify and establish mentorship opportunities and other business development programs as part of its overall application;

(B) the development of aspirational goals for the utilization of minority group members, women and service-disabled veterans in each profession and occupation at such applicant's corporate entity;

(C) assurances that any contractors or subcontractors of any contractor make good faith efforts to meet any established workforce participation goals;

(D) participation with enterprises in which such minority ownership is real, substantial and continuing;

(E) how an applicant's plan shall promote diversity in its business model, financing, employment goals, and other social and economic equity roles in the gaming industry; and

(F) any such further criteria as the commission shall see fit for inclusion.

(c) The commission shall make determinations to award a license or disqualify applicants on a rolling basis to expedite issuance of additional licenses.

(d) As a condition of licensure pursuant to this subdivision, the commission shall require that each platform provider authorized to conduct mobile sports wagering pay a one time fee of twenty-five million dollars and each operator authorized to conduct mobile sports wagering on a platform licensed pursuant to subdivision seven of this section shall pay a fee of ten million dollars. Such fee shall be paid within thirty days of commission approval prior to license issuance and deposited into the state lottery fund established in section ninety-two-c of the state finance law for education aid.

§ 5. This act shall take effect immediately.

PART NN

Section 1. The opening paragraph of subdivision 7 of section 221 of the racing, pari-mutuel wagering and breeding law, as separately amended by section 1 of part CC of chapter 59 of the laws of 2020, is amended to read as follows:

In order to pay the costs of the insurance required by this section and by the workers' compensation law and to carry out its other powers and duties and to pay for any of its liabilities under section fourteen-a of the workers' compensation law, the New York Jockey Injury Compensation Fund, Inc. shall ascertain the total funding necessary and establish the sums that are to be paid by all owners and trainers licensed or required to be licensed under section two hundred twenty of this article, to obtain the total funding amount required annually. In order to provide that any sum required to be paid by an owner or trainer is equitable, the fund shall establish payment schedules that reflect such factors as are appropriate, including where applicable, the geographic location of the racing corporation at which the owner or trainer participates, the duration of such participation, the amount of any purse earnings, the number of horses involved, or such other factors as the fund shall determine to be fair, equitable and in the best interests of racing. In no event shall the amount deducted from an owner's share of purses exceed two percent; provided, however, [~~for two thousand twenty and two thousand twenty-one~~] through calendar year two thousand twenty-five, the New York Jockey Injury Compensation Fund, Inc. may use up to two million dollars from the account established pursuant to subdivision nine of section two hundred eight of this article to pay the annual costs required by this section and the funds from such account shall not count against the two percent of purses deducted from an owner's share of purses. The amount deducted from an owner's share of purses shall not exceed one percent after April first, two thousand twenty-four. In the cases of multiple ownerships and limited racing appearances, the fund shall equitably adjust the sum required.

§ 2. Paragraph (a) of subdivision 9 of section 208 of the racing, pari-mutuel wagering and breeding law, as amended by section 2 of part CC of chapter 59 of the laws of 2020, is amended to read as follows:

(a) The franchised corporation shall maintain a separate account for all funds held on deposit in trust by the corporation for individual horsemen's accounts. Purse funds shall be paid by the corporation as required to meet its purse payment obligations. Funds held in horsemen's accounts shall only be released or applied as requested and directed by the individual horseman. [~~For two thousand twenty and two thousand twenty-one~~] Through calendar year two thousand twenty-five the New York Jockey Injury Compensation Fund, Inc. may use up to two million dollars from the account established pursuant to this subdivision to pay the annual costs required by section two hundred twenty-one of this article.

§ 3. This act shall take effect immediately.

PART OO

Section 1. The tax law is amended by adding a new section 493-a to read as follows:

§ 493-a. Deductions. (a) For each taxable year beginning on or after January first, two thousand twenty-two, and before January first, two thousand twenty-five, the provisions of section 280E of the internal revenue code, relating to expenditures in connection with the illegal sale of drugs, shall not apply for the purposes of this chapter to the carrying on of any trade or business that is commercial cannabis activity by a licensee.

(b) For the purposes of this section, the following definitions shall apply:

(1)"Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis and cannabis products, or acting as the holder of an adult-use on-site consumption license pursuant to article four of the cannabis law.

(2) "Licensee" shall have the same meaning as defined in section three of the cannabis law.

§ 2. This act shall take effect on the same date and in the same manner as section 39 of chapter 92 of the laws of 2021, takes effect, and shall expire January 1, 2025 when upon such date the provisions of this act shall be deemed repealed.

PART PP

Section 1. The tax law is amended by adding a new section 47 to read as follows:

§ 47. Fuel tax holiday. (a) Definitions. For purposes of this section:

(1) "Applicable period" shall mean the period beginning May first, two thousand twenty-two and ending December thirty-first, two thousand twenty-two.

(2) "Diesel motor fuel" and "motor fuel" shall have the same meaning as section two hundred eighty-two of this chapter.

(3) "Filling station" shall have the same meaning as section two hundred eighty-two of this chapter.

(4) "Retail sale" and "sold at retail" shall mean any sale of motor fuel or diesel motor fuel at a filling station to a person for use in a motor vehicle.

(5) "Retail seller" shall mean any person who sells motor fuel or diesel motor fuel at retail.

(6) "Sale" shall have the same meaning as section two hundred eighty-two of this chapter.

(b) Exemption from taxation. Notwithstanding any other provision of law, rule or regulation to the contrary, the taxes imposed on retail sales of motor fuel and diesel motor fuel made during the applicable period shall be exempt from the taxes imposed by articles twelve-A and twenty-eight of this chapter. If the retail seller is located within a municipality that has elected to eliminate the tax imposed pursuant to article twenty-nine of this chapter, such taxes shall not be imposed on the retail sale of motor fuel or diesel motor fuel during the applicable period.

(c) Price reduction. (1) During the applicable period, each retail seller shall reduce the price per gallon of motor fuel and diesel motor fuel offered for sale by the amount of the taxes that the retail seller prepaid on the gallon of motor fuel and diesel motor fuel and the amount of tax in excess of the prepaid amount that would have been collected from the consumer if the sale of the motor fuel or diesel motor fuel had not been exempt from tax pursuant to subdivision (b) of this section.

(2) Failure to reduce the price as required under paragraph one of this subdivision shall constitute price gouging. Where a violation of this section is alleged to have occurred, the attorney general may apply in the name of the people of the state of New York to the supreme court within the judicial district in which such violation is alleged to have occurred, on notice of five days, for an order enjoining or restraining commission or continuance of the alleged unlawful acts. In any such proceeding, the court shall impose a civil penalty in an amount not to exceed one hundred thousand dollars and, where appropriate, order restitution to aggrieved consumers.

(3) In addition to any action brought by the attorney general pursuant to paragraph two of this subdivision, a person injured by a violation of this section may bring an action to recover damages. The court may also award reasonable attorney's fees to a prevailing plaintiff.

(d) Advertising. Notwithstanding any other provision of law to the contrary, a retail seller may advertise that the motor fuel and/or diesel motor fuel is being or will be sold without the state taxes. Such advertisement may commence no earlier than three days before the applicable period and must end by the end of the applicable period.

(e) Refunds and credits. (1) Notwithstanding any other provision of law to the contrary, the retail seller shall be entitled to receive a credit against the taxes due pursuant to article twenty-eight of this chapter for the amount of tax that the retail seller prepaid pursuant to articles twelve-A, twenty-eight and, if applicable, twenty-nine of this chapter. If the retail seller is located within a municipality that has elected to eliminate the tax imposed pursuant to article twenty-nine of this chapter, the retail seller shall be entitled to claim a credit against the taxes due pursuant to article twenty-eight of this chapter for such prepaid taxes. The amount of credit shall equal the amount of tax that was prepaid pursuant to articles twelve-A, twenty-eight and, if applicable, twenty-nine of this chapter for each gallon of motor fuel and diesel motor fuel sold at retail during the applicable period. Such credit shall not be allowed for sales that would have otherwise been exempt from tax.

(2) A retail seller may claim the credit prescribed in paragraph one of this subdivision when the retail seller files its return of tax for

the sales of motor fuel and diesel motor fuel for the period that includes the applicable period. Notwithstanding the foregoing, if a retailer seller is required to file its return more than thirty days after the close of the applicable period defined in paragraph one of subdivision (a) of this section, such retailer shall be authorized to file an amendment to its most recently filed return to claim such credit. No credit may be claimed for the taxes prepaid pursuant to article twelve-A, twenty-eight or, if applicable, twenty-nine of this chapter pursuant to this section if the claim would have been barred pursuant to the article that required prepayment of such taxes. No interest shall be paid on any claims for credit made pursuant to this section.

§ 2. Section 88-a of the state finance law is amended by adding a new subdivision 8 to read as follows:

8. By March thirty-first, two thousand twenty-three, the comptroller shall transfer from the general fund to the mass transportation operating assistance fund an amount no greater than the amount that would have otherwise been deposited in the mass transportation operating assistance fund pursuant to this section if the exemption defined in subdivision (b) of section forty-seven of the tax law had not been authorized; provided however that the comptroller shall make such transfer only after the director of the budget has determined in his or her discretion that the transfer is necessary to ensure a positive fund balance of the mass transportation operating assistance fund at the end of the two thousand eleven-two thousand twelve state fiscal year.

§ 3. Subdivision 3 of section 89-b of the state finance law is amended by adding a new paragraph (g) to read as follows:

(g) Within forty-five days after an applicable period as defined by subdivision (a) of section forty-seven of the tax law, the comptroller, in consultation with the director of the division of the budget, shall transfer from the general fund to the special obligation reserve and payment account an amount equal to the amount that would have otherwise been deposited in the special obligation reserve and payment account pursuant to this section if the exemption defined in subdivision (b) of section forty-seven of the tax law had not been authorized.

§ 4. Section 89-c of the state finance law is amended by adding a new subdivision 4 to read as follows:

4. Within forty-five days after an applicable period as defined by subdivision (a) of section forty-seven of the tax law, the comptroller, in consultation with the director of the division of the budget, shall transfer from the general fund to the dedicated mass transportation trust fund an amount equal to the amount that would have otherwise been deposited in the dedicated mass transportation trust fund pursuant to this section if the exemption defined in subdivision (b) of section forty-seven of the tax law had not been authorized.

§ 5. Section 392-i of the general business law, as amended by section 5 of part M-1 of chapter 109 of the laws of 2006, is amended to read as follows:

§ 392-i. Prices reduced to reflect change in sales tax computation. Every person engaged in the retail sale of motor fuel and/or diesel motor fuel or a distributor of such fuels, as defined in article twelve-A of the tax law, shall reduce the price such person charges for motor fuel and/or diesel motor fuel in an amount equal to any reduction in taxes prepaid by the distributor, credit for the amount of taxes prepaid by the retail seller allowable pursuant to section forty-seven of the tax law, exemption from taxation pursuant to section forty-seven of the tax law to the extent that the tax that would have been otherwise

due exceeds the amount of tax prepaid, or paid by retail customers resulting from computing sales and compensating use taxes at a cents per gallon rate pursuant to the provisions of paragraph two of subdivision (e) and subdivision (m) of section eleven hundred eleven of the tax law.

§ 6. Paragraph 1 of subdivision (n) of section 1817 of the tax law, as amended by section 30 of subpart I of part V-1 of chapter 57 of the laws of 2009, is amended to read as follows:

(1) Every person engaged in the retail sale of motor fuel and/or diesel motor fuel or a distributor of such fuels, as defined in article twelve-A of this chapter, shall comply with the provisions of section three hundred ninety-two-i of the general business law by reducing the prices charged for motor fuel and diesel motor fuel in an amount equal to any reduction in taxes prepaid by the distributor, credit for the amount of taxes prepaid by the retail seller allowable pursuant to section forty-seven of the tax law, exemption from taxation pursuant to section forty-seven of the tax law to the extent that the tax that would have been otherwise due exceeds the amount of tax prepaid, or imposed on retail customers resulting from computing sales and compensating use taxes at a cents per gallon rate pursuant to the provisions of paragraph two of subdivision (e) and subdivision (m) of section one thousand one hundred eleven of this chapter.

§ 7. Notwithstanding any law to the contrary, a municipality may make the election to eliminate all taxes on motor fuel and diesel motor fuel pursuant to sections eleven hundred seven and eleven hundred eight of the tax law or article twenty-nine of the tax law beginning May 1, 2022 and ending December 31, 2022, by local law, ordinance or resolution, if such municipality mails, by certified or registered mail, a certified copy of such local law, ordinance or resolution to the commissioner of taxation and finance at his or her office in Albany no later than the Wednesday immediately preceding the applicable period as defined by paragraph one of subdivision (a) of section forty-seven of the tax law.

§ 8. The commissioner of taxation and finance shall (a) on an emergency basis, promulgate and/or amend any rules and regulations necessary to provide for the tax free sales of motor fuel and diesel motor fuel and refunds of prepaid tax to retail sellers; and

(b) immediately make provisions for retail sellers to apply for credit for the taxes prepaid pursuant to articles twelve-A and twenty-eight, and, if applicable, twenty-nine of the tax law.

§ 9. The department of transportation, in conjunction with the department of taxation and finance, shall conduct a study on possible alternatives to the use of taxes on motor fuel and diesel motor fuel in order to finance transportation needs across the state of New York. The study shall examine existing pilot programs in other states and by the federal government for alternative options for transportation financing, when examining which alternative means of financing transportation would work best in New York. The study shall be completed and delivered to the governor, the temporary president of the senate, the speaker of the assembly, and the chairs of the respective financial and transportation committees by April 1, 2023.

§ 10. This act shall take effect immediately.

PART QQ

Section 1. Paragraph 1 of subsection (d) of section 606 of the tax law, as amended by section 1 of part Q of chapter 63 of the laws of 2000, is amended to read as follows:

(1) General. A taxpayer shall be allowed a credit as provided herein equal to (i) the applicable percentage of the earned income credit allowed under section thirty-two of the internal revenue code for the same taxable year, (ii) reduced by the credit permitted under subsection (b) of this section.

The applicable percentage shall be (i) seven and one-half percent for taxable years beginning in nineteen hundred ninety-four, (ii) ten percent for taxable years beginning in nineteen hundred ninety-five, (iii) twenty percent for taxable years beginning after nineteen hundred ninety-five and before two thousand, (iv) twenty-two and one-half percent for taxable years beginning in two thousand, (v) twenty-five percent for taxable years beginning in two thousand one, (vi) twenty-seven and one-half percent for taxable years beginning in two thousand two, [~~and~~] (vii) thirty percent for taxable years beginning in two thousand three**, (viii) thirty-one and seven-eighths percent in two thousand twenty-two, (ix) thirty-three and three-quarters percent in two thousand twenty-three, (x) thirty-five and five-eighths percent in two thousand twenty-four, and (xi) thirty-seven and a half percent in two thousand twenty-five** and thereafter. Provided, however, that if the reversion event, as defined in this paragraph, occurs, the applicable percentage shall be twenty percent for taxable years ending on or after the date on which the reversion event occurred. The reversion event shall be deemed to have occurred on the date on which federal action, including but not limited to, administrative, statutory or regulatory changes, materially reduces or eliminates New York state's allocation of the federal temporary assistance for needy families block grant, or materially reduces the ability of the state to spend federal temporary assistance for needy families block grant funds for the earned income credit or to apply state general fund spending on the earned income credit toward the temporary assistance for needy families block grant maintenance of effort requirement, and the commissioner of the office of temporary and disability assistance shall certify the date of such event to the commissioner of taxation and finance, the director of the division of the budget, the speaker of the assembly and the temporary president of the senate.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2022.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through QQ of this act shall be as specifically set forth in the last section of such Parts.