IN SENATE -- 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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, 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 (Subpart A); and to amend the tax law, in relation to alternative tax table benefit recapture for certain taxpayers (Subpart B) (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 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

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.
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 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 (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 exempting certain fuels used by tugboats and towboats from the petroleum business tax (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, in relation to the challenge of assessed value by owners of local public utility mass real property; and to amend 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, in relation to allowing decedent reports to be given to assessors (Subpart E) (Part Z); to amend the real property tax law, in relation to the grievance process with respect to the valuation of solar and wind energy systems (Part AA); to amend the tax law, in relation to establishing a homeowner tax rebate credit (Part BB); intentionally omitted (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 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, 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 establishing a credit for geothermal energy systems (Part FF); to amend the tax law, in relation to extending sales tax exemption for certain food and drink vending machines (Part GG); 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 HH); to amend the administrative code of the city of New York, in relation to establishing a tax credit for child care against the unincorporated business tax, general corporation tax, and the business corporation tax of 2015 (Part II); to amend the tax law and the administrative code of the city of New York, in relation to the earned income tax credit (Part JJ); to amend the economic development law and the tax law, in relation to creating the additional restaurant return-to-work credit (Part KK); clarifying for certain tax credit programs that work performed remotely within the state due to the outbreak of novel coronavirus, COVID-19, qualifies for certain tax credit programs; and providing for the repeal of such provisions upon expiration thereof (Part LL); to amend the tax law, in relation to pass-through entity tax for electing resident and standard S corporations (Subpart A); and to amend the tax law, the public authorities law, and the administrative code of the city of New York, in relation to establishing a city pass-through entity tax (Subpart B) (Part MM); to amend the tax law, in relation to providing a supplemental empire state child credit, earned income tax credit payment and enhanced earned income tax credit payment to resident taxpayers (Part NN); to amend the tax law and the economic development law, in relation to the creation of the empire state digital gaming media production credit (Part OO); to amend the tax law, in relation to permitting deductions for commercial cannabis activity (Part PP); to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York Jockey Injury Compensation Fund, Inc. (Part QQ); and to amend the tax law, in relation to suspending the excise tax, prepaid sales tax and state sales taxes on motor fuel and Diesel motor fuel, and authorizing localities to elect a cents-per-gallon rate of tax on such fuels based on four dollars (Part RR)

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 RR. 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. This Part enacts into law major components of legislation accelerating middle class tax cuts and providing for an alternative tax table benefit recapture for certain taxpayers. Each component is wholly contained within a Subpart identified as Subparts A and B. 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 this act sets forth the general effective date of this Part.

SUBPART 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:

<table>
<thead>
<tr>
<th>New York taxable income</th>
<th>Tax is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $17,150</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $17,150 but not over $23,600</td>
<td>$686 plus 4.5% of excess over $17,150</td>
</tr>
<tr>
<td>Over $23,600 but not over $27,900</td>
<td>$976 plus 5.25% of excess over $23,600</td>
</tr>
<tr>
<td>Over $27,900 but not over $161,550</td>
<td>$1,202 plus 5.73% of excess over $27,900</td>
</tr>
<tr>
<td>Over $161,550 but not over $323,200</td>
<td>$3,860 plus 6.17% of excess over $161,550</td>
</tr>
<tr>
<td>Over $323,200 but not over $2,155,350</td>
<td>$18,934 plus 6.95% of excess over $323,200</td>
</tr>
<tr>
<td>Over $2,155,350 but not over $5,000,000</td>
<td>$144,336 plus 9.65% of excess over $2,155,350</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,155,350</td>
</tr>
<tr>
<td>Over $25,000,000 but not over $5,000,000</td>
<td>$418,845 plus 10.30% of excess over $25,000,000</td>
</tr>
<tr>
<td>Over $5,000,000</td>
<td>$2,478,845 plus 10.90% of excess over $5,000,000</td>
</tr>
</tbody>
</table>

(vii) For taxable years beginning in two thousand twenty-four the following rates shall apply:
<table>
<thead>
<tr>
<th>New York Taxable Income</th>
<th>Tax Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $17,150</td>
<td>4% of New York taxable income</td>
</tr>
<tr>
<td>Over $17,150 but not over $23,600</td>
<td>$686 plus 4.5% of excess over $17,150</td>
</tr>
<tr>
<td>Over $23,600 but not over $27,900</td>
<td>$976 plus 5.25% of excess over $23,600</td>
</tr>
<tr>
<td>Over $27,900 but not over $161,550</td>
<td>$1,202 plus 5.61% of excess over $27,900</td>
</tr>
<tr>
<td>Over $161,550 but not over $323,200</td>
<td>$8,700 plus 6.09% of excess over $161,550</td>
</tr>
<tr>
<td>Over $323,200 but not over $2,155,350</td>
<td>$18,544 plus 6.85% of excess over $323,200</td>
</tr>
<tr>
<td>Over $2,155,350 but not over $5,000,000</td>
<td>$418,555 plus 10.30% of excess over $2,155,350</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $25,000,000</td>
</tr>
</tbody>
</table>

For taxable years beginning after two thousand twenty-four and before two thousand twenty-eight, the following rates shall apply:

<table>
<thead>
<tr>
<th>New York Taxable Income</th>
<th>Tax Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $17,150</td>
<td>4% of New York taxable income</td>
</tr>
<tr>
<td>Over $17,150 but not over $23,600</td>
<td>$686 plus 4.5% of excess over $17,150</td>
</tr>
<tr>
<td>Over $23,600 but not over $27,900</td>
<td>$976 plus 5.25% of excess over $23,600</td>
</tr>
<tr>
<td>Over $27,900 but not over $161,550</td>
<td>$1,202 plus 5.61% of excess over $27,900</td>
</tr>
<tr>
<td>Over $161,550 but not over $323,200</td>
<td>$8,700 plus 6.09% of excess over $161,550</td>
</tr>
<tr>
<td>Over $323,200 but not over $2,155,350</td>
<td>$18,544 plus 6.85% of excess over $323,200</td>
</tr>
<tr>
<td>Over $2,155,350 but not over $5,000,000</td>
<td>$418,555 plus 10.30% of excess over $2,155,350</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $25,000,000</td>
</tr>
</tbody>
</table>

For taxable years beginning after two thousand twenty-seven, the following rates shall apply:

<table>
<thead>
<tr>
<th>New York Taxable Income</th>
<th>Tax Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $17,150</td>
<td>4% of New York taxable income</td>
</tr>
<tr>
<td>Over $17,150 but not over $23,600</td>
<td>$686 plus 4.5% of excess over $17,150</td>
</tr>
<tr>
<td>Over $23,600 but not over $27,900</td>
<td>$976 plus 5.25% of excess over $23,600</td>
</tr>
<tr>
<td>Over $27,900 but not over $161,550</td>
<td>$1,202 plus 5.61% of excess over $27,900</td>
</tr>
<tr>
<td>Over $161,550 but not over $323,200</td>
<td>$8,700 plus 6.09% of excess over $161,550</td>
</tr>
<tr>
<td>Over $323,200 but not over $2,155,350</td>
<td>$18,544 plus 6.85% of excess over $323,200</td>
</tr>
<tr>
<td>Over $2,155,350 but not over $5,000,000</td>
<td>$418,555 plus 10.30% of excess over $2,155,350</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $25,000,000</td>
</tr>
</tbody>
</table>

For taxable years beginning after two thousand twenty-eight, the following rates shall apply:

<table>
<thead>
<tr>
<th>New York Taxable Income</th>
<th>Tax Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $17,150</td>
<td>4% of New York taxable income</td>
</tr>
<tr>
<td>Over $17,150 but not over $23,600</td>
<td>$686 plus 4.5% of excess over $17,150</td>
</tr>
<tr>
<td>Over $23,600 but not over $27,900</td>
<td>$976 plus 5.25% of excess over $23,600</td>
</tr>
<tr>
<td>Over $27,900 but not over $161,550</td>
<td>$1,202 plus 5.61% of excess over $27,900</td>
</tr>
<tr>
<td>Over $161,550 but not over $323,200</td>
<td>$8,700 plus 6.09% of excess over $161,550</td>
</tr>
<tr>
<td>Over $323,200 but not over $2,155,350</td>
<td>$18,544 plus 6.85% of excess over $323,200</td>
</tr>
<tr>
<td>Over $2,155,350 but not over $5,000,000</td>
<td>$418,555 plus 10.30% of excess over $2,155,350</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,478,555 plus 10.90% of excess over $25,000,000</td>
</tr>
</tbody>
</table>
§ 2. Clauses (vi), (vii), (viii) and (ix) of subparagraph (B) of para-
graph 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:

<table>
<thead>
<tr>
<th>New York taxable income</th>
<th>Tax rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $12,800</td>
<td>4%</td>
</tr>
<tr>
<td>Over $12,800 but not over $17,650</td>
<td>$512 plus 4.5% of excess over $12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over $20,900</td>
<td>$730 plus 5.25% of excess over $17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over $107,650</td>
<td>$901 plus 5.73% of excess over $20,900</td>
</tr>
<tr>
<td>Over $107,650 but not over $269,300</td>
<td>$5,872 plus 6.17% of excess over $107,650</td>
</tr>
<tr>
<td>Over $269,300 but not over $1,616,450</td>
<td>$15,845 plus 6.35% of excess over $269,300</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$434,404 plus 10.30% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,494,404 plus 10.90% of excess over $5,000,000</td>
</tr>
</tbody>
</table>

(vii) For taxable years beginning in two thousand twenty-four the
following rates shall apply:

<table>
<thead>
<tr>
<th>New York taxable income</th>
<th>Tax rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $12,800</td>
<td>4%</td>
</tr>
<tr>
<td>Over $12,800 but not over $17,650</td>
<td>$512 plus 4.5% of excess over $12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over $20,900</td>
<td>$730 plus 5.25% of excess over $17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over $107,650</td>
<td>$901 plus 5.73% of excess over $20,900</td>
</tr>
<tr>
<td>Over $107,650 but not over $269,300</td>
<td>$5,872 plus 6.17% of excess over $107,650</td>
</tr>
<tr>
<td>Over $269,300 but not over $1,616,450</td>
<td>$15,845 plus 6.35% of excess over $269,300</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$434,404 plus 10.30% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,494,404 plus 10.90% of excess over $5,000,000</td>
</tr>
</tbody>
</table>

(viii) For taxable years beginning after two thousand twenty-four and
before two thousand twenty-eight the following rates shall apply:

<table>
<thead>
<tr>
<th>New York taxable income</th>
<th>Tax rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $12,800</td>
<td>4%</td>
</tr>
<tr>
<td>Over $12,800 but not over $17,650</td>
<td>$512 plus 4.5% of excess over $12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over $20,900</td>
<td>$730 plus 5.25% of excess over $17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over $107,650</td>
<td>$901 plus 5.73% of excess over $20,900</td>
</tr>
<tr>
<td>Over $107,650 but not over $269,300</td>
<td>$5,872 plus 6.17% of excess over $107,650</td>
</tr>
<tr>
<td>Over $269,300 but not over $1,616,450</td>
<td>$15,845 plus 6.35% of excess over $269,300</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$434,404 plus 10.30% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,494,404 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000 but not over $1,616,450</td>
<td>$15,612 plus 6.85% of excess over $25,000,000</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$434,404 plus 10.30% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,494,404 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000 but not over $1,616,450</td>
<td>$15,612 plus 6.85% of excess over $25,000,000</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$434,404 plus 10.30% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,494,404 plus 10.90% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000 but not over $1,616,450</td>
<td>$15,612 plus 6.85% of excess over $25,000,000</td>
</tr>
<tr>
<td>New York taxable income range</td>
<td>Tax calculation</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Not over $12,800</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $12,800 but not over</td>
<td>$512 plus 4.5% of excess over</td>
</tr>
<tr>
<td>$17,650</td>
<td>$12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over</td>
<td>$730 plus 5.25% of excess over</td>
</tr>
<tr>
<td>$20,900</td>
<td>$17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over</td>
<td>$901 plus 5.5% of excess over</td>
</tr>
<tr>
<td>$107,650</td>
<td>$20,900</td>
</tr>
<tr>
<td>Over $107,650 but not over</td>
<td>$5,672 plus 6.00% of excess</td>
</tr>
<tr>
<td>$269,300</td>
<td>over $107,650</td>
</tr>
<tr>
<td>Over $269,300 but not over</td>
<td>$15,371 plus 6.85% of excess</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>over $269,300</td>
</tr>
<tr>
<td>Over $1,616,450</td>
<td>$107,651 plus 8.82% of excess</td>
</tr>
<tr>
<td>$1,929,690</td>
<td>over $1,616,450</td>
</tr>
</tbody>
</table>

§ 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:

<table>
<thead>
<tr>
<th>New York taxable income range</th>
<th>Tax calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $8,500</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $8,500 but not over $11,700</td>
<td>$340 plus 4.5% of excess over</td>
</tr>
<tr>
<td>$11,700</td>
<td>$8,500</td>
</tr>
<tr>
<td>Over $11,700 but not over $13,900</td>
<td>$484 plus 5.25% of excess over</td>
</tr>
<tr>
<td>$13,900</td>
<td>$11,700</td>
</tr>
<tr>
<td>Over $13,900 but not over $80,650</td>
<td>$600 plus 5.73% of excess over</td>
</tr>
<tr>
<td>$80,650</td>
<td>$13,900</td>
</tr>
<tr>
<td>Over $80,650 but not over $215,400</td>
<td>$1,424 plus 6.17% of excess over</td>
</tr>
<tr>
<td>$215,400</td>
<td>$80,650</td>
</tr>
<tr>
<td>Over $215,400 but not over</td>
<td>$12,738 plus 6.85% of excess</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>over $215,400</td>
</tr>
<tr>
<td>Over $1,077,550</td>
<td>$71,796 plus 9.65% of excess</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>over $1,077,550</td>
</tr>
<tr>
<td>Over $5,000,000</td>
<td>$450,312 plus 10.30% of excess</td>
</tr>
<tr>
<td>$25,000,000</td>
<td>over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,510,312 plus 10.90% of excess</td>
</tr>
</tbody>
</table>

(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 5.61% 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

(ix) For taxable years beginning after two thousand twenty-seve-

§ 4. This act shall take effect immediately.
Section 1. Section 601 of the tax law is amended by adding a new subsection (d-2) to read as follows:

(d-2) Alternative tax table benefit recapture. Notwithstanding the provisions of subsection (d) or (d-1) of this section, for taxable years beginning on or after two thousand twenty-one and before two thousand twenty-two, there is hereby imposed a supplemental tax in addition to the tax imposed under subsections (a), (b) and (c) of this section for the purpose of recapturing the benefit of the tax tables contained in such subsections. During these taxable years, any reference in this chapter to subsection (d) or (d-1) of this section shall be read as a reference to this subsection.

(1) For resident married individuals filing joint returns and resident surviving spouses:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than $43,000</td>
<td>$0</td>
</tr>
<tr>
<td>$43,000</td>
<td>$474</td>
</tr>
<tr>
<td>$161,550</td>
<td>$582</td>
</tr>
<tr>
<td>$323,200</td>
<td>$1,056</td>
</tr>
<tr>
<td>$323,200</td>
<td>$1,680</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$60,350</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$63,086</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than $43,000</td>
</tr>
<tr>
<td>$43,000</td>
</tr>
<tr>
<td>$43,000</td>
</tr>
<tr>
<td>$161,550</td>
</tr>
<tr>
<td>$161,550</td>
</tr>
<tr>
<td>$323,200</td>
</tr>
<tr>
<td>$323,200</td>
</tr>
<tr>
<td>$5,000,000</td>
</tr>
<tr>
<td>$5,000,000</td>
</tr>
<tr>
<td>$25,000,000</td>
</tr>
<tr>
<td>$25,000,000</td>
</tr>
<tr>
<td>$25,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than forty-three thousand dollars, the supplemental tax shall equal the difference between the product of 5.97 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:
(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than</td>
<td>$107,650</td>
</tr>
<tr>
<td>$269,300</td>
<td>$742</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$45,260</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than</td>
</tr>
<tr>
<td>$269,300</td>
</tr>
<tr>
<td>$1,616,450</td>
</tr>
<tr>
<td>$5,000,000</td>
</tr>
<tr>
<td>$5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section.

(3) For resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than</td>
<td>$80,650</td>
</tr>
<tr>
<td>$215,400</td>
<td>$526</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$30,171</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than</td>
</tr>
<tr>
<td>$215,400</td>
</tr>
<tr>
<td>$1,077,550</td>
</tr>
<tr>
<td>$5,000,000</td>
</tr>
<tr>
<td>$5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-
in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than eighty thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.33 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section.

§ 2. Section 601 of the tax law is amended by adding a new subsection (d-3) to read as follows:

(d-3) Alternative tax table benefit recapture. Notwithstanding the provisions of subsection (d), (d-1) or (d-2) of this section, for taxable years beginning on or after two thousand twenty-two and before two thousand twenty-three, there is hereby imposed a supplemental tax in addition to the tax imposed under subsections (a), (b) and (c) of this section for the purpose of recapturing the benefit of the tax tables contained in such subsections. During these taxable years, any reference in this chapter to subsection (d), (d-1) or (d-2) of this section shall be read as a reference to this subsection.

(i) For resident married individuals filing joint returns and resident surviving spouses:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>$0</td>
<td>$430</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>$430</td>
<td>$646</td>
</tr>
<tr>
<td>$323,200</td>
<td>$2,155,350</td>
<td>$1,076</td>
<td>$1,940</td>
</tr>
<tr>
<td>$2,155,350</td>
<td>$5,000,000</td>
<td>$3,016</td>
<td>$60,349</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$63,365</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>New York adjusted gross income minus $161,550</td>
</tr>
<tr>
<td>$323,200</td>
<td>$2,155,350</td>
<td>New York adjusted gross income minus $323,200</td>
</tr>
<tr>
<td>$2,155,350</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $2,155,350</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than twenty-seven thousand nine hundred dollars, the supplemental tax shall equal the difference between the product of 5.85 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section, multiplied by a fraction, the numerator of which is...
the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>$752</td>
<td>$1,616</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>$2,368</td>
<td>$45,261</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>$47,629</td>
<td>$32,500</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$32,500</td>
<td></td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>New York adjusted gross income minus $269,300</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,616,450</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.25 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section.

(3) For resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>$0</td>
<td>$536</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>$1,293</td>
<td>$30,171</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$5,000,000</td>
<td>$32,000</td>
<td>$32,500</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$32,500</td>
<td></td>
</tr>
</tbody>
</table>
(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>New York adjusted gross income minus $215,400</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,077,550</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than eighty thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.25 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section.

§ 3. Section 601 of the tax law is amended by adding a new subsection (d-4) to read as follows:

(d-4) Alternative tax table benefit recapture. Notwithstanding the provisions of subsection (d), (d-1), (d-2) or (d-3) of this section, for taxable years beginning on or after two thousand twenty-three and before two thousand twenty-eight, there is hereby imposed a supplemental tax in addition to the tax imposed under subsections (a), (b) and (c) of this section for the purpose of recapturing the benefit of the tax tables contained in such subsections. During these taxable years, any reference in this chapter to subsection (d), (d-1), (d-2) or (d-3) of this section shall be read as a reference to this subsection.

(1) For resident married individuals filing joint returns and resident surviving spouses:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>$0</td>
<td>$333</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>$333</td>
<td>$807</td>
</tr>
<tr>
<td>$323,200</td>
<td>$2,155,350</td>
<td>$1,140</td>
<td>$2,747</td>
</tr>
<tr>
<td>$2,155,350</td>
<td>$5,000,000</td>
<td>$3,887</td>
<td>$60,350</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$64,237</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>New York adjusted gross income minus $161,550</td>
</tr>
<tr>
<td>$323,200</td>
<td>$2,155,350</td>
<td>New York adjusted gross income minus $323,200</td>
</tr>
</tbody>
</table>
$2,155,350  $5,000,000  New York adjusted gross income minus $2,155,350
$5,000,000  $25,000,000  New York adjusted gross income minus $5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than twenty-seven thousand nine hundred dollars, the supplemental tax shall equal the difference between the product of 5.50 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>$0</td>
<td>$787</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>$787</td>
<td>$2,289</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>$3,076</td>
<td>$45,261</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$48,337</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>New York adjusted gross income minus $269,300</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,616,450</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the
tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section.

(3) For resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>$0</td>
<td>$568</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>$568</td>
<td>$1,831</td>
</tr>
<tr>
<td>$1,077,550</td>
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</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$32,571</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>New York adjusted gross income minus $215,400</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,077,550</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than eighty thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section.

§ 4. This act shall take effect immediately.

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

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 property 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, 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 hundred dollars. For taxable years beginning on or after January first, two thousand twenty-two and before January first, two thousand 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 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 (i) 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 one hundred eighteen percent of the product of (1) the eligible overtime worked during the taxable year by the eligible farm employee and (2) the overtime rate paid by the farm employer to the eligible farm employee less such employee's regular rate of pay.

(h)(1) Taxpayers shall have the option to request an advance payment of the portion of the amount of tax credit they are allowed under this section for the amount of eligible overtime that the farm employer paid from January first through July thirty-first. To be eligible for the advance payment, the farm employer must submit by September thirtieth a properly completed application to the department of agriculture and markets, in a form prescribed by the commissioner of agriculture and markets, that demonstrates how much the farm employer paid in eligible overtime during that period. After reviewing a farm employer's completed application for the advance payment of a portion of the amount of tax credit allowed under this section, the department of agriculture and markets may issue to that farm employer a certificate of tax credit that specifies the exact amount of the tax credit under this article that a taxpayer may claim as an advance payment pursuant to this subdivision.

(2) A taxpayer must submit a request to the department in the manner prescribed by the commissioner after it has been issued a certificate of tax credit by the department of agriculture and markets pursuant to paragraph one of this subdivision (or such certificate has been issued to a partnership, limited liability company or subchapter S corporation in which it is a partner, member or shareholder, respectively, that is a farm employer), but such request must be submitted no later than November first of the taxable year for which the credit is being claimed. For those taxpayers who have requested an advance payment and for whom the commissioner has determined to be eligible for this credit, the commissioner shall advance a payment of the portion of the amount of tax credit allowed to the taxpayer. The taxpayer will claim on the taxpayers' return for the taxable year the portion of the amount of tax credit allowed for eligible overtime paid by the farm employer from August first through December thirty-first. The taxpayer must properly reconcile the advance payment of tax credit allowed under this subdivision on the taxpayer's return.

(3) If a taxpayer that has received an advance payment is not an eligible farmer for the taxable year for which it received an advance payment, the taxpayer shall be required to add back as tax the amount of advance payment the taxpayer received during the taxable year.

(4) Notwithstanding any provision of this chapter, employees of the department of agriculture and markets and the department shall be allowed to share and exchange:

(i) information derived from tax returns or reports that is relevant to a taxpayer's eligibility for the credit allowed by this section;

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

(iii) information collected by the department of agriculture and markets and exchanged between the department of agriculture and markets...
and the department pursuant to this section shall not be subject to
disclosure or inspection under the state's freedom of information law.

(i) 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 subdivi-
sion 58 to read as follows:
58. Farm employer overtime credit. (a) Allowance of credit. A taxpay-
er 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 cred-
it 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 Amount of credit under
credit under subsection (nnn) subdivision fifty-eight of
subsection two hundred ten-B
§ 5. Section 606 of the tax law is amended by adding a new subsection
(nn) to read as follows:
(nn) Farm employer overtime credit. (1) A taxpayer shall be allowed a
credit, to be computed as provided in section forty-two-a of this chap-
ter, 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 credit-
ed or refunded in accordance with the provisions 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. 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]
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 greater than zero but less than two hundred fifty thousand dollars;

(II) a limited liability company, partnership, or New York S corporation that during the taxable year employs one or more persons and has net farm income attributable to a farm business that is greater than zero but less than two hundred fifty thousand dollars; or

(III) 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.

(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.

§ 2. 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 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.
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 greater than zero but less than two hundred fifty thousand dollars;

(ii) a limited liability company, partnership, or New York S corporation that during the taxable year employs one or more persons and has net farm income that is greater than zero but less than two hundred fifty thousand dollars; or

(iii) 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.

(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) or 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 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. 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 by the state, including any awards 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 taxable 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. Reporting.

489. 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 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 costs 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;
(b) operate a business location in New York state; and
(c) have at least two thousand dollars in qualifying COVID-19 capital costs.

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. Provided, however, that such credit shall not be less than one thousand dollars.

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-nine 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. Reporting. Each business entity participating in this program shall submit a performance report to the department at a time prescribed in regulations by the commissioner. The commissioner shall on or before April first, two thousand twenty-three and every quarter thereafter until program funds are fully expended, submit a report to the governor, the temporary president of the senate, the speaker of the assembly, the chair of the senate finance committee, and the chair of the assembly ways and means committee, setting forth the activities undertaken by the program. Such report shall include, but not necessarily be limited to, the following in each reporting period to the extent such information is available: total number of participants approved and the economic development region in which the business is located; total amount of payments disbursed and tax credits claimed, and average amount of payments disbursed and tax credits claimed; names of payment recipients and tax credits claimed; and such other information as the commissioner determines necessary and appropriate to effectuate the purpose of the program. Such reports shall, at the same time, be included on the department’s website and any other publicly accessible database that lists economic development programs as determined by the department.

§ 489. 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 calu-
lation 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:

(nn) 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) subdivision 58 of section two hundred ten-B

§ 6. This act shall take effect immediately.
§ 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, September thirtieth, two thousand twenty-three 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 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 June thirtieth, two thousand twenty-three.

§ 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 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) 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.
§ 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 programs [for secondary and elementary children] of the New York state council on the arts, including [programs that increase access to art and cultural programs and events for children in underserved communities] but not limited to: arts education programs, and art and cultural programs for children and adults, including programs that increase access to art and cultural programs and events in underserved communities.

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 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-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, or who served in the active uniformed services
of the United States as a member of the commissioned corps of the
national oceanic and atmospheric administration or the commissioned
corps of the United States public health service; 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 thou-
sand 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 employ-
ment. 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] twenty percent of the total amount of wages paid to the quali-
fied veteran during the veteran's first [full-year twelve-month period]
of employment. The credit allowed pursuant to this subdivision shall not
exceed in any taxable year [ten]: (1) fifteen thousand dollars for any
qualified veteran [and fifteen], other than a disabled veteran, employed
in a full-time position for one thousand eight hundred twenty or more
hours in one twelve-month period, (2) twenty thousand dollars for any
qualified veteran who is a disabled veteran employed in a full-time
position for one thousand eight hundred twenty or more hours in one
twelve-month period, (3) seven thousand five hundred dollars for any
qualified veteran, other than a disabled 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,
and (4) ten thousand dollars for any qualified veteran who is a disabled
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.

§ 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
1. Allowance of credit. For taxable years beginning on or after January first, two thousand fifteen and before January first, two thousand 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 [十二个月] 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 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, 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, or who served in the active uniformed services of the United States as a member of the commissioned corps of the national oceanic and atmospheric administration or the commissioned corps of the United States public health service; 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-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.

3. 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] twenty percent of the total amount of wages paid to the qualified veteran during the veteran's first [full year] twelve-month period of employment. The credit allowed pursuant to this subsection shall not exceed in any taxable year [five], fifteen thousand dollars for any qualified veteran [and fifteen], other than a disabled veteran, employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period, twenty thousand dollars for any qualified veteran who is a disabled veteran employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period.
twelve-month period, (iii) seven thousand five hundred dollars for any qualified veteran, other than a disabled 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, and (iv) ten thousand dollars for any qualified veteran who is a disabled 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.

§ 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 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 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-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 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, or who served in the active uniformed services of the United States as a member of the commissioned corps of the national oceanic and atmospheric administration or the commissioned corps of the United States public health service; 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-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 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] twenty percent of the total amount of wages paid to the qualified veteran during the veteran's first [full-year] twelve-month period of employment. The credit allowed pursuant to this subdivision shall not exceed in any taxable year five: (i) fifteen thousand dollars for any qualified veteran [and fifteen], other than a disabled veteran, employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period, (ii) twenty thousand dollars for any qualified veteran who is a disabled veteran employed in a full-time position for one thousand eight hundred twenty or more hours in one twelve-month period, (iii) seven thousand five hundred dollars for any qualified veteran, other than a disabled 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, and (iv) ten thousand dollars for any qualified veteran who is a disabled 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.

§ 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 located at a facility regulated pursuant to section 19-0302 or title ten of article seventeen of the environmental conservation law, 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 facility.

(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 for all buildings located at a New York state department of environmental conservation regulated facility.

(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.
(4) A New York state department of environmental conservation regulated facility is a facility regulated pursuant to section 19-0302 or title ten of article seventeen of the environmental conservation law.
(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:

§ 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 cred-
it 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 taxa-
ble 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 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 chapter, 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,
§ 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. 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 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. 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.

§ 2. Paragraphs (a) and (b) of 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, are amended to read as follows:

(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 fifteen thousand dollars per electric vehicle and ten thousand dollars per any other 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 fifteen thousand dollars per electric vehicle and ten thousand dollars per any other vehicle.

(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 vehicle" shall, for the purposes of this subdivision, have the same meaning as in section sixty-six-s of the public service law.

§ 3. Paragraph (c) of subdivision 38 of section 210-B of the tax law, as amended by section 2 of part K of chapter 60 of the laws of 2016, is amended to read as follows:

(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 taxa-
table years beginning on or after January first, two thousand [twenty-
three] twenty-nine.

§ 4. Paragraphs 1 and 2 of subsection (tt) of section 606 of the tax
law, as added by chapter 604 of the laws of 2011, are amended to read as
follows:
(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 incre-
mental 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 fifteen
thousand dollars per electric vehicle and ten thousand dollars per any
other vehicle. For purposes of this subsection, purchases of new vehi-
cles 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 fifteen thousand
dollars per electric vehicle and ten thousand dollars per any other
vehicle.
(2) 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
57. The term "electric vehicle" shall, for the purposes of this
subsection, have the same meaning as in section sixty-six-s of the
public service law.
§ 5. This act shall take effect immediately; provided, however, that
sections two and four of this act shall apply to taxable years beginning
on or after January 1, 2023, provided, however, that the amendments to
subsection (tt) of section 606 of the tax law made by section four 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:
(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:

(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

(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-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, Sulli-
van, 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-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 this article exceed five million dollars in any year during the period two thousand fifteen through two thousand 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-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-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-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 previ-
ously 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.

§ 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, 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 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 paragraph 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-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 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 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, or 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 nine-
teen 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 twenty-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 amended to read as follows:

6. Termination. The credit allowed by subdivision two of this section shall not apply in taxable years beginning after December thirty-first, two thousand 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 amended to read as follows:

(f) Termination. The credit allowed by paragraph (b) of this subdivision shall not apply in taxable years beginning after December thirty-first, two thousand 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 amended to read as follows:
(6) 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 a new subdivision (f) to read as follows:

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

(j) Exemption for tugboats and towboats. The use by a tugboat or towboat of motor fuel, diesel motor fuel, or residual petroleum product. Provided, that the commissioner shall require such documentary proof to qualify for any exemption provided hereunder as the commissioner deems appropriate.

§ 2. The opening paragraph of section 301-c of the tax law, as amended by section 5 of part W-1 of chapter 109 of the laws of 2006, is amended to read as follows:

A subsequent purchaser shall be eligible for reimbursement of tax with respect to the following gallonage, subsequently sold by such purchaser in accordance with subdivision (a), (b), (e), (h), (j), (k), (n) or (o) of this section or used by such purchaser in accordance with subdivision (c), (d), (f), (g), (i), (l) [or] (m) or (q) of this section, which gallonage has been included in the measure of the tax imposed by this article on a petroleum business:

§ 3. The opening paragraph of section 301-c of the tax law, as amended by chapter 468 of the laws of 2000, is amended to read as follows:

A subsequent purchaser shall be eligible for reimbursement of tax with respect to the following gallonage, subsequently sold by such purchaser in accordance with subdivision (a), (b), (e), (h), (j) or (k) of this section or used by such purchaser in accordance with subdivision (c), (d), (f), (g), (i), (l) [or] (m) or (q) of this section, which gallonage has been included in the measure of the tax imposed by this article on a petroleum business:
narge has been included in the measure of the tax imposed by this article
on a petroleum business:

§ 4. Section 301-c of the tax law is amended by adding a new subdivi-
sion (q) to read as follows:

(q) Reimbursement for tugboats and towboats. A use by a tugboat or
towboat of motor fuel, diesel motor fuel, or residual petroleum product.
This reimbursement may be claimed only where (1) any tax imposed pursu-
ant to this article has been paid with respect to such gallonage and the
entire amount of such tax has been absorbed by such purchaser, and (2)
such tugboat or towboat possesses documentary proof satisfactory to the
commissioner evidencing the absorption by it of the entire amount of
such tax. Provided, that the commissioner shall require such documentary
proof to qualify for any reimbursement provided hereunder as the commis-
sioner deems appropriate.

§ 5. This act shall take effect September 1, 2022, and shall apply to
uses of motor fuel, diesel motor fuel and residual petroleum product on
and after such date; provided however that the amendments to the opening
paragraph of section 301-c of the tax law made by section two of this
act shall be subject to the expiration and reversion of such paragraph
pursuant to section 19 of part W-1 of chapter 109 of the laws of 2006,
as amended, when upon such date the provisions of section three of this
act shall take effect.

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 with-
in 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 with-
holding 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 meth-
od 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 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 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 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. (a) 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.

(b) 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:

(i) 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.

(ii) In any proceeding initiated by an owner of local public utility mass real property 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.

(iii) 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 portion of the annual report provided to the commissioner under section four hundred ninety-nine-rrrr of this title that directly relates to the local public utility mass real property located within the local assessing jurisdiction, provided that:

(A) Such report, or the applicable portion thereof, need only be so provided if (1) the property at issue in the proceeding is property to which an assessment ceiling applies, and (2) the assessed value established by the assessing unit for the property is no greater than the assessment ceiling set for the property by the commissioner.

(B) Notwithstanding any other requirements of law to the contrary, the annual report or portion thereof so provided shall be treated by the local assessing jurisdiction as confidential in all respects, and shall not be published or otherwise disclosed to any person or agency, except that such report may be shared with persons who are providing the local assessing jurisdiction with legal or appraisal services in connection with the litigation, in which case such persons shall be likewise obliged to treat such report as confidential in all respects, and except that such report may be offered into evidence in the litigation, subject to its admissibility being determined by the court. If ruled admissible, the owner of public utility mass real property may move the court
for an order directing that the portion of the record containing such
report, or the applicable portion thereof, not be made available for
public inspection or disclosure. If such a motion is made, the local
assessing jurisdiction shall be deemed to consent thereto.
(C) If the local public utility mass real property owner is required
by this subparagraph to provide to the local assessing jurisdiction such
report, or the applicable portion thereof, but it fails to do so 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 section 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 identi-
fied as Subparts A, C, D and 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 refer-
ence to a section of "this act", when used in connection with that
particular component, shall be deemed to mean and refer to the corre-
sponding section of the Subpart in which it is found. Section two 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 commis-
sioner 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
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 designee 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. This act shall take effect immediately.

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

PART AA

Section 1. Section 575-b of the real property tax law is amended by adding a new subdivision 4 to read as follows:

4. Complaints with respect to assessments determined under this section shall be governed by sections five hundred twelve and five hundred twenty-four of this article and the following provisions:

(a) The assessor shall, upon request, provide the owner with the inputs that he or she entered into the commissioner’s appraisal model when valuing the property pursuant to this section.

(b) The property owner may advise the assessor of any alleged errors to the appraisal model inputs believed to have been made by the assessor, and may provide information to the assessor in support of any proposed change to those inputs.

(c) If the property owner provides such information to the assessor prior to the filing of the tentative assessment roll, the assessor may make such adjustments to the appraisal model inputs as he or she deems warranted based upon the information provided by the property owner, and may recalculate the property value by entering the adjusted inputs into the appraisal model.

(d) If dissatisfied with the assessed value appearing on the tentative assessment roll, the property owner may file a complaint with the board of assessment review; provided, however, that the grounds for review of an assessment determined under this section with respect to both article five and article seven of this chapter shall be limited to the accuracy of the appraisal model inputs made by the assessor.

(e) Actions or proceedings that challenge the validity and accuracy of the appraisal model or discount rates established under this section may not be commenced against assessing units. Such challenges may only be brought by commencing an action against the commissioner in the third department of the appellate division of the supreme court in the manner provided by article seventy-eight of the civil practice law and rules.

§ 2. This act shall take effect immediately.

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.

(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 thousand two. 

(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:

<table>
<thead>
<tr>
<th>Qualified Gross Income</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $75,000</td>
<td>28%</td>
</tr>
<tr>
<td>Over $75,000 but not over $150,000</td>
<td>20.5%</td>
</tr>
<tr>
<td>Over $150,000 but not over $200,000</td>
<td>13%</td>
</tr>
</tbody>
</table>
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                            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

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

Qualified Gross Income                      Percentage
Not over $75,000                            125%
Over $75,000 but not over $150,000          115%
Over $150,000 but not over $200,000         105%
Over $200,000 but not over $250,000         100%
Over $250,000                              No credit

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 one hundred ten percent if the taxpayer's primary residence is located within the city of New York.

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

Intentionally Omitted

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 capital acquisition fund established pursuant to this section, 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 be available to such off-track betting corporations for
the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.

c. Prior to a corporation being able to utilize the funds authorized by paragraph b of this subdivision, the corporation must submit an expenditure plan to the gaming commission for review. Such plan shall include the corporation's outstanding liabilities, projected revenue for the upcoming year, a detailed explanation of how the funds will be used, and any other information determined necessary by the commission. Upon review, the commission will make a determination as to whether access to the funds is needed and warranted.

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 follow-
ing: 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 primari-
ly for promotional or marketing purposes as found by the commission. For 
purposes of this paragraph, the provisions of section one thousand thir-
ten of this article shall not apply. Any agreement authorizing an 
in-home simulcasting experiment commencing prior to May fifteenth, nine-
ten 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 receiv-
ing 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 meet-
ing 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, [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, [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, 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-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 (g-4) to read as follows:

(g-4) 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, not to exceed five thousand dollars.

(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 the taxpayer's residence at the time the geothermal energy system is placed in service; or

(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 the taxpayer's 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 or costs that have been used to qualify for any other credit.

(D) Such qualified expenditures for the lease of geothermal energy system equipment under an agreement described in clause (ii) 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) 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 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 the taxpayer's 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) Limitation. The credit shall only be allowed for geothermal energy system equipment installed in connection with residential property used exclusively for personal purposes used by the taxpayer. No credit shall be allowed for geothermal energy system equipment installed in connection with residential property that is rented at any time during the taxable year for which the credit is being claimed.

(8) When credit allowed. The credit provided for herein shall be allowed with respect to the taxable year in which the geothermal energy system equipment is placed in service and shall be allowed only for geothermal energy system equipment placed into service after January first, two thousand twenty-two. However, the taxpayer shall be allowed a credit for only one such system in any taxable year.

(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 and shall apply to taxable
years commencing on and after January 1, 2022.

PART GG

Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of
section 1115 of the tax law, as amended by section 1 of part SS of chap-
ter 59 of the laws of 2021, is amended to read as follows:
(B) Until May thirty first, two thousand [twenty-two] twenty-three,
the food and drink excluded from the exemption provided by clauses (i),
(ii) and (iii) of subparagraph (A) of this paragraph, and bottled water,
shall be exempt under this subparagraph when sold for one dollar and
fifty cents or less through any vending machine that accepts coin or
currency only or when sold for two dollars or less through any vending
machine that accepts any form of payment other than coin or currency,
whether or not it also accepts coin or currency.
§ 2. This act shall take effect immediately.

PART HH

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-bbbbbb. Real property tax abatement.
499-cccccc. Application for tax abatement.
499-dddddd. 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 abate-
ment.
3. "Application for tax abatement" means an application for a child-
care center tax abatement pursuant to section four hundred ninety-nine-
cccccc 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 popu-
lation 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 of the most recently published determinations 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-bbbbbb. 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-cccccc 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-cccc 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 (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 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 abate-
ment 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-bbb of this title were
obtained.
(c) Proof that the applicant has entered into a lease or other agree-
ment with a person to operate a childcare center in the eligible build-
ing 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-seeee. 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 II

Section 1. The administrative code of the city of New York is amended by adding a new section 11-144 to read as follows:

§ 11-144 Child care credit against certain business income taxes. a. Definitions. For purposes of this section:

1. Child care program. The term "child care program" means a child care program for which a permit to operate such program has been issued by the department of health and mental hygiene pursuant to article forty-seven of the health code.

2. Child care rate. The term "child care rate" means the weekly child care subsidy market rates, based on the sixty-ninth percentile of the 2017-18 New York state child care market rate survey, for infant and toddler care provided by a permitted day care center in county cluster five, as reflected in the 2019 child care market rate survey report published by the New York state office of children and family services in compliance with section 98.45 of title forty-five of the code of federal regulations, provided that the department of finance may, by rule, revise such rates based on subsequent editions of the child care market rate survey report, as published by such office, or any other similar report published by such office in compliance with such section.

3. Child care seats. The term "child care seats" means the maximum number of children to be allowed on the premises of a child care program at any time that such program is in operation as specified on the permit issued for such program by the department of health and mental hygiene.

4. Child care seats that are occupied. The term "child care seats that are occupied" means, for each service year in which a child care program is in operation, the average daily number of children in attendance on the premises of such child care program.

5. Creates child care. The term "creates child care" means the making available of child care seats in a child care program by a taxpayer, directly or through a third party, for employees of such taxpayer, where such child care program was not available prior to April first, two thousand twenty-two, provided that the costs imposed on such employees for such child care program do not exceed forty percent of the child care rate.

6. Expands child care. The term "expands child care" means the increase in the number of child care seats in a child care program made available by a taxpayer, directly or through a third party, for employees of such taxpayer, where such child care program was not available prior to April first, two thousand twenty-two, provided that such increase requires a new or amended permit issued by the department of health and mental hygiene pursuant to article forty-seven of the health code on or after April first, two thousand twenty-two, and, provided, further, that the costs imposed on such employees for such child care program do not exceed forty percent of the child care rate.

7. Service year. The term "service year" means the twelve-month period commencing on October first and ending on September thirtieth in the subsequent calendar year.
b. Credit allowed. A taxpayer that creates child care or expands child care shall be allowed a credit against the tax imposed by chapter five, or by subchapter two or three-a of chapter six, of this title to be credited or refunded, without interest, in accordance with the provisions of subdivision (g) of section 11-503, subdivision twenty-three of section 11-604 and subdivision twenty-three of section 11-654 of this title. The amount of such credit shall be, for the portion of the service year in which the child care program was in operation, the sum of: (i) the product of the number of infant child care seats that have been created or expanded and twenty percent of the child care rate for such infant child care seats; and (ii) the product of the number of toddler child care seats that have been created or expanded and twenty percent of the child care rate for such toddler child care seats; provided that such infant and toddler child care seats are child care seats that are occupied. Notwithstanding the preceding sentence, a credit shall not be allowed for more than twenty-five child care seats that are occupied, and the amount of such credit may be reduced as a result of an allocation of available funds, as described in subdivision e of this section, for such credit.

c. Application process. A taxpayer must submit an application for such credit by November first of the calendar year in which the service year has ended.

1. Such application shall include but not be limited to:
   (a) a permit issued by the department of health and mental hygiene to operate a child care center indicating the number of child care seats or, in the case of a child care center that has experienced an expansion of child care seats, a permit issued by such department demonstrating such expansion; and
   (b) a certification from an independent certified public accountant that provides:
      (1) the total number of child care seats that are child care seats that are occupied during such service year;
      (2) of such total number of child care seats that are occupied, the number of infant child care seats that are occupied and the number of toddler child care seats that are occupied; and
      (3) to the extent the taxpayer has expanded child care, the number of child care seats in existence before such expansion and the number of such child care seats that were occupied before such expansion.

2. No later than January thirty-first of the calendar year following the calendar year in which the application was submitted, the department of finance shall approve or deny such application and provide a calculation of the amount of such credit as determined by subdivision e of this section for any application that has been approved.

d. Application of credit to tax year. The credit, as approved and calculated by the department of finance pursuant to paragraph two of subdivision c of this section, shall be applied to the tax year in which the service year concludes, except that: (i) for a taxpayer whose tax year concludes on or after September thirtieth and before December thirty-first, the credit shall be applied to the tax year immediately following the tax year in which the service year concludes; and (ii) to provide the credit in a tax year consistent with this subdivision, the department of finance may establish procedures governing the application of such credit where the tax year of a taxpayer who has applied for such credit is less than twelve months, or where such tax year varies in accordance with subsection f of section four hundred forty-one of the internal revenue code.
1. Maximum amount of credit available. For each of the three tax years
in which the credit authorized by this section is available, the aggregate
amount of such credit shall be a maximum of twenty-five million
dollars. To the extent that the department of finance has determined
that the aggregate amount of such credit, as calculated pursuant to
subdivision b of this section, would exceed twenty-five million dollars,
such department shall reduce the amount of credit to be granted to each
taxpayer who has applied for such credit in accordance with a process to
be developed in rules promulgated by such department. In developing such
process, the department may consider factors including, but not limited
to, the date of application, the number of child care seats in a child
care program that are occupied, and the extent to which the taxpayer
bears the cost of the child care that is provided to the employees of
such taxpayer.

§ 2. Section 11-503 of the administrative code of the city of New York
is amended by adding a new subdivision (q) to read as follows:

(q) Credit for the provision of child care. In addition to any other
credit allowed under this section, a taxpayer whose application for a
credit authorized by section 11-144 of this title has been approved by
the department of finance shall be allowed a credit against the tax
imposed by this chapter. The amount of the credit shall be determined as
provided in such section. To the extent the amount of the credit allowed
by this subdivision exceeds the amount of tax due pursuant to this chap-
ter, as calculated without such credit, such excess amount shall be
treated as an overpayment of tax to be credited or refunded in accord-
ance with the provisions of section 11-526 of this chapter, provided,
however, that notwithstanding the requirements of section 11-528 of this
chapter to the contrary, no interest shall be paid thereon.

§ 3. Section 11-604 of the administrative code of the city of New York
is amended by adding a new subdivision 23 to read as follows:

(23) Credit for the provision of child care. In addition to any other
credit allowed under this section, a taxpayer whose application for a
credit authorized by section 11-144 of this title has been approved by
the department of finance shall be allowed a credit against the tax
imposed by this chapter. The amount of the credit shall be determined as
provided in such section. To the extent the amount of the credit allowed
by this subdivision exceeds the amount of tax due pursuant to this
subchapter, as calculated without such credit, such excess amount shall
be treated as an overpayment of tax to be credited or refunded in
accordance with the provisions of section 11-677 of this chapter,
provided, however, that notwithstanding the requirements of section
11-679 of this chapter to the contrary, no interest shall be paid there-
on.

§ 4. Section 11-654 of the administrative code of the city of New York
is amended by adding a new subdivision 23 to read as follows:

(23) Credit for the provision of child care. In addition to any other
credit allowed under this section, a taxpayer whose application for a
credit authorized by section 11-144 of this title has been approved by
the department of finance shall be allowed a credit against the tax
imposed by this chapter. The amount of the credit shall be determined as
provided in such section. To the extent the amount of the credit allowed
by this subdivision exceeds the amount of tax due pursuant to this
subchapter, as calculated without such credit, such excess amount shall
be treated as an overpayment of tax to be credited or refunded in
accordance with the provisions of section 11-677 of this chapter,
provided, however, that notwithstanding the requirements of section
§ 5. This act shall take effect immediately, provided that the credit authorized by section 11-144 of the administrative code of the city of New York, as added by section one of this act, shall be available to be applied to the tax year beginning between January 1, 2023 and December 31, 2023, inclusive of those dates, and to the two tax years immediately following such initial tax year.

PART JJ

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 percent-
age 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 adminis-
trative 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 deter-
mined 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 percent-
age 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 percent-
age 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 percent-
age 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 KK

Section 1. Section 472 of the economic development law is amended by adding a new subdivision 4-a to read as follows:

4-a. "Certificate of additional 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 seventy-five-a of this article.

§ 2. Subdivisions 1 and 3 of section 474 of the economic development law, as added by section 1 of subpart A of part PP of chapter 59 of the laws of 2021, are amended and a new subdivision 4 is added to read as follows:

1. A business entity must submit a complete application as prescribed by the commissioner for the restaurant return-to-work credit and the additional restaurant return-to-work credit.

3. The application for the tax credit allowed under section four hundred seventy-five of this article must be submitted by May first, two thousand twenty-two. After reviewing a business entity's completed final application for the restaurant return-to-work credit 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. A business entity may claim the tax credit in the taxable year that includes December thirty-first, two thousand twenty-one.

4. The application for the tax credit allowed under section four hundred seventy-five-a of this article must be submitted by July first, two thousand twenty-two. After reviewing a business entity's completed final application for the additional restaurant return-to-work credit 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 additional tax credit. A business entity may claim the tax credit in the taxable year that includes December thirty-first, two thousand twenty-two.

§ 3. The economic development law is amended by adding a new section 475-a to read as follows:

§ 475-a. Additional restaurant return-to-work tax credit. 1. A business entity in the restaurant return-to-work tax credit program that applies for the additional restaurant return-to-work credit pursuant to section four hundred seventy-four of this article may be eligible to claim a credit equal to five thousand dollars per each full-time equivalent net employee increase above ten, not to exceed twenty, as defined in subdivision eight of section four hundred seventy-two of this article. Provided, however, that in calculating the full-time equivalent net employee increase above ten, the jobs must continue to exist as of March thirty-first, two thousand twenty-two. A business entity in the restaurant return-to-work program that ceased operations...
on or before March thirty-first, two thousand twenty-two, is not eligi-
ble for the credit provided by this section.

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

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

§ 4. The tax law is amended by adding a new section 46-a to read as
follows:

§ 46-a. Additional restaurant return-to-work 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 seventy-five-a 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 cred-
it allowed under this chapter.

(b) Eligibility. To be eligible for the additional restaurant return-
to-work tax credit, the taxpayer shall have been issued a certificate of
additional tax credit by the department of economic development pursuant
to subdivision four of section four hundred seventy-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 additional
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 additional
tax credit shall be allowed its pro rata share of the credit earned by
the partnership, limited liability company or subchapter S corporation.
However, the taxpayer must be a partner, member or shareholder of such
partnership, limited liability company or subchapter S corporation as of
April first, two thousand twenty-two.

(c) Tax return requirement and advance payment option. (1) The taxpay-
er shall be required to attach to its tax return in the form prescribed
by the commissioner, proof of receipt of its certificate of additional
tax credit issued by the commissioner of the department of economic
development.

(2) Taxpayers shall have the option to request an advance payment of
the amount of tax credit they are allowed under this section. A taxpayer
must submit such request to the department in the manner prescribed by
the commissioner after it has been issued a certificate of additional
tax credit by the department of economic development pursuant to subdi-
vision four of section four hundred seventy-four of the economic devel-
opment law (or such certificate has been issued to a partnership, limit-
ed liability company or subchapter S corporation in which it is a
partner, member or shareholder, respectively), but such request must be
submitted no later than September thirtieth, two thousand twenty-two.
For those taxpayers who have requested an advance payment and for whom
the commissioner has determined eligible for this credit, the commis-
sioner shall advance a payment of the tax credit allowed to the taxpay-
er. However, in the case of a taxpayer subject to article nine-A of this
chapter, such payment shall be equal to the amount of credit allowed to
the taxpayer less twenty-five dollars. Such twenty-five dollars shall
represent a partial payment of tax owed by the taxpayer under article
nine-A, including any fixed dollar minimum owed under paragraph (d) of subdivision one of section two hundred ten of this chapter. When a taxpayer files its return for the taxable year, such taxpayer shall properly reconcile the advance payment and any partial payment of fixed dollar minimum tax, if applicable, on the taxpayer's return.

(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 are relevant to a taxpayer's eligibility to participate in the restaurant return-to-work 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 restaurant return-to-work 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 additional tax credit issued by the department of economic development under article twenty-five 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 56-a;

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

§ 5. Section 210-B of the tax law is amended by adding a new subdivision (nnn) to read as follows:

56-a. Additional restaurant return-to-work tax credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-six-a 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. Notwithstanding, no interest will be paid thereon.

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

(nn) Additional restaurant return-to-work tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-six-a 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.

§ 7. 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) Additional restaurant return-to-work credit Amount of credit under subdivision fifty-six-a of section two hundred ten-B

§ 8. This act shall take effect immediately.

PART LL

Section 1. (a) Notwithstanding any provision of law to the contrary, for the duration of the state disaster emergency pursuant to executive order 11 of 2021, a taxpayer that has required some or all of its employees to work remotely as a result of the outbreak of novel coronavirus, COVID-19, may designate such remote work as having been performed at the location such work was performed prior to the declaration of such state disaster emergency for tax benefits that are based on maintaining a presence within the state or within specific areas of the state, including but not limited to those provided pursuant to article seventeen of the economic development law and sections 31 and 39 of the tax law.

(b) Eligible businesses shall be required to certify, that for the entire period the benefit is claimed, the business continued to operate within the state.

(c) Under no circumstances shall a business be eligible for tax benefits based on maintaining a presence within the state or within specific areas of the state for any time period in which the business moved its operations outside of the state.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on or after November 26, 2021 and shall expire on the date of expiration of the state disaster emergency pursuant to executive order 11 of 2021 or December 31, 2022, whichever is sooner; provided that the commissioner of taxation and finance shall notify the legislative bill drafting commission upon the occurrence of the expiration of the state disaster emergency pursuant to executive order 11 of 2021, as amended, in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law.

PART MM

Section 1. This act enacts into law components of legislation relating to pass-through entity tax. Each component is wholly contained within a Subpart identified as Subparts A and B. 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 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 Subpart in which it is found. Section two of this act sets forth the general effective date of this act.

**SUBPART A**

Section 1. Subsection (d) of section 860 of the tax law, as added by section 1 of part C of chapter 59 of the laws of 2021, is amended and two new subsections (j) and (k) are added to read as follows:

(d) Electing S corporation. Electing S corporation means any eligible corporation that made a valid, timely election pursuant to section eight hundred sixty-one of this article that is either an electing resident S corporation or electing standard S corporation.

(j) Electing resident S corporation. An electing resident S corporation is an electing S corporation that certifies at the time of its election that all of its shareholders are residents of New York for purposes of article twenty-two of this chapter.

(k) Electing standard S corporation. An electing standard S corporation is an electing S corporation that is not an electing resident S corporation.

§ 2. Paragraph 2 of subsection (h) of section 860 of the tax law, as added by section 1 of part C of chapter 59 of the laws of 2021, is amended and a new paragraph 3 is added to read as follows:

(2) In the case of an electing standard S corporation, the sum of all items of income, gain, loss, or deduction derived from or connected with New York sources to the extent they would be included under paragraph two of subsection (a) of section six hundred thirty-two of this chapter in the taxable income of a shareholder subject to tax under article twenty-two of this chapter.

(3) In the case of an electing resident S corporation, the sum of all items of income, gain, loss, or deduction to the extent they are included in the taxable income of a shareholder subject to tax under article twenty-two of this chapter.

§ 3. Subsection (c) of section 861 of the tax law, as added by section 1 of part C of chapter 59 of the laws of 2021, is amended and a new subsection (d) is added to read as follows:

(c) The annual election must be made by the due date of the first estimated payment under section eight hundred sixty-four of this article and will take effect for the current taxable year. Only one election may be made during each calendar year. An election made under this section is irrevocable as of the due date.

(d) Special rules for electing S corporations. (1) An electing S corporation must certify at the time of its election that all shareholders are residents of New York for purposes of article twenty-two of this chapter to be considered an electing resident S corporation.

(2) If an electing S corporation does not make a certification under paragraph one of this subsection at the time of its election, the electing S corporation is automatically treated as an electing standard S corporation.

(3) If an electing S corporation makes a certification under paragraph one of this subsection to be an electing resident S corporation, this certification is irrevocable as of the due date of the election.

§ 4. Subsection (h) of section 865 of the tax law, as added by section 1 of part C of chapter 59 of the laws of 2021, is amended to read as follows:
(h) Information provided to shareholders. Each electing S corporation subject to tax under this article shall report to each shareholder its:

1. direct share of the pass-through entity tax imposed on the electing S corporation; [and]
2. the electing S corporation’s status as an electing resident S corporation or electing standard S corporation; and
3. any other information as required by the commissioner.

§ 5. Paragraph 3 of subsection (b) of section 612 of the tax law, as amended by chapter 166 of the laws of 1991, subparagraph (B) as amended by section 70 of part A of chapter 59 of the laws of 2014, is amended to read as follows:

(3) Income taxes. (A) General. Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax.

(B) Shareholders of S corporations. In the case of a shareholder of an S corporation, with respect to taxes imposed upon or payable by the corporation, the term "income taxes" in subparagraph (A) of this paragraph shall also include the taxes imposed under article nine-A of this chapter, regardless of the measure of such taxes but shall not otherwise include taxes imposed by this or any other state of the United States, or any political subdivision of this or any other state, or the District of Columbia.

(C) Pass-through entity tax deduction. (i) In the case of a partner, member or shareholder of an electing partnership or electing S corporation, the term "income taxes" in subparagraph (A) of this paragraph shall not include the taxes imposed under article twenty-four-A of this chapter to the extent such taxes are added to federal adjusted gross income under subparagraph (A) of paragraph forty-three of this subsection or the taxes imposed under article twenty-four-B of this chapter to the extent such taxes are added to the federal adjusted gross income under paragraph forty-three-a of this subsection.

(ii) In the case of a partner, member or shareholder of a partnership or S corporation, the term "income taxes" in subparagraph (A) of this paragraph shall not include pass-through entity taxes substantially similar to the tax imposed pursuant to article twenty-four-A of this chapter imposed by another state of the United States, a political subdivision of such state, or the District of Columbia upon income both derived therefrom and subject to tax under this article to the extent such taxes are added to federal adjusted gross income under subparagraph (B) of paragraph forty-three of this subsection.

§ 6. (a) Notwithstanding section 861 of the tax law as added by section 1 of part C of chapter 59 of the laws of 2021 and amended by section three of this act, the certification to be taxed as an electing resident S corporation for the taxable year 2022, must be made by March 15, 2023 in a manner prescribed by the commissioner.

(b) Further for the taxable year 2022, notwithstanding section 864 of the tax law, as added by section 1 of part C of chapter 59 of the laws of 2021, an electing resident S corporation shall be required to make estimated tax payments on March fifteenth and June fifteenth representing twenty-five percent of the required annual payment as if such electing resident S corporation was an electing standard S corporation. However, all electing resident S corporations shall be required as of September 15, 2022 to have paid seventy-five percent of the required annual payment.
§ 7. This act shall take effect immediately and shall apply to all taxable years beginning on or after January 1, 2022; provided, however, that section five of this act shall apply to taxable years beginning on or after January 1, 2021.

SUBPART B

Section 1. The tax law is amended by adding a new article 24-B to read as follows:

ARTICLE 24-B
CITY PASS-THROUGH ENTITY TAX

Section 867. Definitions.

868. City pass-through entity tax election.

869. Imposition and rate of tax.

870. City pass-through entity tax credit.

871. Payment of estimated tax.

872. Filing of return and payment of tax.

873. Procedural and administrative provisions.

§ 867. Definitions. For purposes of this article:

(a) City pass-through entity tax. City pass-through entity tax means the total tax imposed by this article on an electing city partnership or an electing city resident S corporation.

(b) City pass-through entity taxable income. City pass-through entity taxable income means:

(1) In the case of an electing city partnership, the sum of all items of income, gain, loss, or deduction to the extent they are included in the city taxable income of a partner or member of the electing city partnership who is a city taxpayer.

(2) In the case of an electing city resident S corporation, the sum of all items of income, gain, loss, or deduction to the extent they would be included in the city taxable income of a shareholder of the electing city resident S corporation who is a city taxpayer.

(c) City resident individual. City resident individual has the same meaning as that term is defined in subsection (a) of section thirteen hundred five of this chapter.

(d) City taxable income. City taxable income has the same meaning as that term is defined in section thirteen hundred three of this chapter.

(e) City taxpayer. A city taxpayer means a city resident individual subject to the tax imposed pursuant to the authority of article thirty of this chapter.

(f) Direct share of city pass-through entity tax. Direct share of city pass-through entity tax means the portion of city pass-through entity tax calculated on city pass-through entity taxable income of a city taxpayer who is a partner or member of the electing city partnership or a city taxpayer who is a shareholder of the electing city resident S corporation.

(g) Electing city partnership. Electing city partnership means any eligible partnership that made a valid, timely election pursuant to section eight hundred sixty-eight of this article.

(h) Electing city resident S corporation. Electing city resident S corporation means any eligible resident S corporation that made a valid, timely election pursuant to section eight hundred sixty-eight of this article.

(i) Eligible city partnership. Eligible city partnership means any partnership as provided for in section 7701(a)(2) of the Internal Revenue Code that has a filing requirement under paragraph one of subsection...
(c) of section six hundred fifty-eight of this chapter other than a publicly traded partnership as defined in section 7704 of the Internal Revenue Code, where at least one partner or member is a city resident individual. An eligible city partnership includes any entity, including a limited liability company, treated as a partnership for federal income tax purposes that otherwise meets the requirements of this subsection.

(j) Eligible city resident S corporation. Eligible city resident S corporation means any New York S corporation as defined pursuant to subdivision one-A of section two hundred eight of this chapter that has only city resident individual shareholders. An eligible city resident S corporation includes any entity, including a limited liability company, treated as an S corporation for federal income tax purposes that otherwise meets the requirements of this subsection.

(k) Taxable year. An electing city partnership's or electing city resident S corporation's taxable year pursuant to this article shall be the same as the electing city partnership's or electing city resident S corporation's taxable year for federal income tax purposes.

§ 868. City pass-through entity tax election. (a) Any eligible city partnership that makes the annual election to be taxed pursuant to article twenty-four-A of this chapter in accordance with section eight hundred sixty-one of this chapter or any eligible city resident S corporation that makes the annual election to be taxed pursuant to article twenty-four-A of this chapter as an electing resident S corporation in accordance with section eight hundred sixty-one of this chapter may make an annual election to be taxed pursuant to this article for the same taxable year for which such eligible city partnership or eligible city resident S corporation has made an election to be taxed pursuant to article twenty-four-A of this chapter. The election to be taxed pursuant to this article must be made by the due date as specified in subsection (c) of section eight hundred sixty-one of this chapter and in the same manner as the election to be taxed pursuant to article twenty-four-A of this chapter.

(b) In order to be effective, the annual election to be taxed pursuant to this article must be made by a city taxpayer and (1) if the entity is an S corporation, by any officer, manager or shareholder of the S corporation who is authorized under the law of the state where the corporation is incorporated or under the S corporation's organizational documents to make the election and who represents to having such authorization under penalty of perjury; or (2) if the entity is not an S corporation, by any member, partner, owner, or other individual with authority to bind the entity or sign returns pursuant to section six hundred fifty-three of this chapter.

(c) The annual election to be taxed pursuant to this article must be made by the due date of the first estimated payment under section eight hundred sixty-four of this chapter and will take effect for the current taxable year. Only one election to be taxed pursuant to this article may be made during each calendar year. An election made under this section is irrevocable as of such due date. To the extent an election made under section eight hundred sixty-one of this chapter is revoked or otherwise invalidated an election made under this section is automatically invalidated.

§ 869. Imposition and rate of tax. A tax is hereby imposed for each taxable year on the city pass-through entity taxable income of every electing city partnership and every electing city resident S corporation. This tax shall be in addition to any other taxes imposed on
such partnership or such S corporation. For each taxable year beginning on or after January first, two thousand twenty-two, the rate of tax shall be 3.876 percent of city pass-through entity taxable income.

§ 870. City pass-through entity tax credit. (a) Personal income tax credit. (1) A city taxpayer who is a direct partner or member in an electing city partnership or a direct shareholder of an electing city resident S corporation subject to tax under this article shall be allowed a credit against the tax imposed pursuant to the authority of article thirty of this chapter, computed pursuant to the provisions of subsection (g) of section thirteen hundred ten of this chapter. An entity that is disregarded for tax purposes will be disregarded for purposes of determining if a city taxpayer is a direct partner or member of an electing city partnership or a direct shareholder of an electing city resident S corporation.

(2) Limitation on credit. No credit shall be allowed to a city taxpayer under paragraph one of this subsection unless the electing city partnership or electing city resident S corporation paid the tax imposed under this article and provided sufficient information on the city pass-through entity tax return as prescribed by the commissioner to identify such city taxpayer. Such information shall include, but not be limited to, the social security number or taxpayer identification number of the city taxpayer who will claim the credit (even in the case of a disregarded entity owned by such city taxpayer).

(b) Limitation on credit. The aggregate amount of credits claimed by all partners, members or shareholders of an electing city partnership or an electing city resident S corporation pursuant to subsection (a) of this section shall not exceed the tax due under section eight hundred sixty-nine of this article from such electing city partnership or electing city resident S corporation for the taxable year.

§ 871. Payment of estimated tax. (a) Definition of estimated tax. Estimated tax means the amount that an electing city partnership or electing city resident S corporation estimates to be the tax imposed by section eight hundred sixty-nine of this article for the current taxable year.

(b) General. Except as provided in subsection (c) of this section, the estimated tax shall be paid as follows for an electing city partnership and an electing city resident S corporation:

(1) The estimated tax shall be paid in four equal installments on March fifteenth, June fifteenth, September fifteenth and December fifteenth in the calendar year prior to the year in which the due date of the return required by this article falls.

(2) The amount of any required installment shall be twenty-five percent of the required annual payment.

(3) The required annual payment is the lesser of: (A) ninety percent of the tax shown on the return for the taxable year; or (B) one hundred percent of the tax shown on the return of the electing city partnership or electing city resident S corporation for the preceding taxable year.

(c) Application to short taxable year. This section shall apply to a taxable year of less than twelve months in accordance with procedures established by the commissioner.

(d) Installments paid in advance. An electing city partnership or electing city resident S corporation may elect to pay any installment of its estimated tax prior to the date prescribed for the payment thereof.

§ 872. Filing of return and payment of tax. (a) General. On or before March fifteenth following the close of the taxable year, each electing city partnership and each electing city resident S corporation must file
a return for the taxable year reporting the information required pursuant to this article. For each electing city partnership and each electing city resident S corporation that has a fiscal taxable year, the return is due on or before March fifteenth following the close of the calendar year that contains the final day of the electing city partnership's or electing city resident S corporation's taxable year.

(b) Certification of eligibility. Every return filed pursuant to subsection (a) of this section shall include, in a format as prescribed by the commissioner, a certification by an individual authorized to act on behalf of the electing city partnership or electing city resident S corporation that such electing city partnership or electing city resident S corporation:

(1) Made a timely, valid election to be subject to tax pursuant to this article; and

(2) That all statements contained therein are true.

(c) Information on the electing city partnership return. Each electing city partnership shall report on such return:

(1) Any tax due pursuant to this article. The balance of any tax shown on such return, not previously paid as installments of estimated tax, shall be paid with such return;

(2) Identifying information of all partners and/or members who are city taxpayers and eligible to receive a credit pursuant to section eight hundred seventy of this article;

(3) Each partner's and/or member's direct share of the city pass-through entity tax imposed on the electing city partnership;

(4) Each partner's and/or member's distributive share of the city pass-through entity taxable income calculated pursuant to paragraph one of subsection (b) of section eight hundred sixty-seven of this article;

(5) The classification, as applicable, of each partner and/or member as a city resident individual for purposes of calculating the electing city partnership's city pass-through entity taxable income; and

(6) Any other information as required by the commissioner.

(d) Information on electing city resident S corporation return. Each electing city resident S corporation shall report on such return:

(1) Any tax due pursuant to this article. The balance of any tax shown on such return, not previously paid as installments of estimated tax, shall be paid with such return;

(2) Identifying information of all shareholders who are city taxpayers and eligible to receive a credit pursuant to section eight hundred seventy of this article;

(3) Each shareholder's direct share of the pass-through entity tax imposed on the electing city resident S corporation;

(4) Each shareholder's distributive share of the city pass-through entity taxable income calculated pursuant to paragraph two of subsection (b) of section eight hundred sixty-seven of this article; and

(5) Any other information as required by the commissioner.

(e) Special rules for partners, members and shareholders that are disregarded entities. To meet the requirements of paragraph two of subsection (c) of this section for an electing city partnership or paragraph two of subsection (d) of this section for an electing city resident S corporation, the electing city partnership or electing city resident S corporation must provide information sufficient to identify both the disregarded entity that is a partner, member and/or shareholder and the city taxpayer eligible for a credit under subsection (a) of section eight hundred seventy of this article.
Extensions and amendments. (1) The commissioner may grant a reasonable extension of time for payment of tax or estimated tax (or any installment), or for filing any return, statement, or other document required pursuant to this article, on such terms and conditions as it may require. No such extension for filing any return, statement or other document, shall exceed six months.

(2) No amended returns. Once a return has been filed by an electing city partnership or electing city resident S corporation, it may not be amended without the consent of or otherwise authorized by the commissioner.

Information provided to partners. Each electing city partnership subject to tax under this article shall report to each partner or member the following:

(1) Classification, as applicable, as a city resident individual for purposes of calculating the electing city partnership's city pass-through entity taxable income;

(2) Direct share of the city pass-through entity tax imposed on the electing city partnership; and

(3) Any other information as required by the commissioner.

Information provided to shareholders. Each electing city resident S corporation subject to tax under this article shall report to each shareholder the following:

(1) The shareholder's direct share of the pass-through entity tax imposed on the electing city resident S corporation; and

(2) Any other information as required by the commissioner.

Procedural and administrative provisions. (a) General. All provisions of article twenty-two of this chapter will apply to the provisions of this article in the same manner and with the same force and effect as if the language of article twenty-two of this chapter had been incorporated in full into this article and had been specifically adjusted for and expressly referred to the tax imposed by this article, except to the extent that any provision is either inconsistent with a provision of this article or is not relevant to this article. Notwithstanding the preceding sentence, no credit authorized to offset the tax imposed pursuant to article twenty-two of this chapter or authorized pursuant to section thirteen hundred ten of this chapter can be used to offset the tax due pursuant to this article.

(b) Notwithstanding any other law to the contrary, the commissioner may require that any form or return required pursuant to this article must be filed electronically and any payment of tax must be paid electronically.

(c) Liability for tax. (1) An electing city partnership or electing city resident S corporation shall be liable for the tax due pursuant to this article.

(2) Except as provided in paragraph three of this subsection, any city taxpayer eligible to claim a credit authorized pursuant to subsection (g) of section thirteen hundred ten of this chapter because such taxpayer is a partner or member in an electing city partnership or a shareholder in an electing city resident S corporation, either directly or through a disregarded entity, shall be severally liable for such taxpayer's direct share of city pass-through entity tax to the extent the tax due pursuant to this article is not paid by the electing city partnership or electing city resident S corporation.

(3) Any city taxpayer eligible to claim a credit authorized pursuant to subsection (g) of section thirteen hundred ten of this chapter because such taxpayer is a partner or member in an electing city part-
nership or a shareholder in an electing city resident S corporation, either directly or through a disregarded entity, that is a general, managing or controlling partner of the electing city partnership or managing or controlling shareholder of the electing city resident S corporation, or owns greater than fifty percent of the interests or profits of the electing city partnership or electing city resident S corporation, or is under a duty to act for the electing city partnership or electing city resident S corporation in complying with the provisions of this article, or was the individual that made the election on behalf of the electing city partnership or electing city resident S corporation authorized by section eight hundred sixty-eight of this article, shall be jointly and severally liable for the tax imposed pursuant to this article on such electing city partnership or electing city resident S corporation.

(d) Deposit and disposition of revenue. All taxes, interest, penalties, and fees collected or received by the commissioner pursuant to this article shall be deposited and disposed of in the manner set forth by article thirty of this chapter for taxes imposed pursuant to such article, including but not limited to provisions of such article relating to payments to the New York city transitional finance authority.

(e) Secrecy provision. All the provisions of paragraphs one and two of subsection (e) of section six hundred ninety-seven of this chapter will apply to the provisions of this article. Notwithstanding any provisions of this chapter to the contrary, the commissioner may disclose information and returns regarding the calculation and payment of the tax imposed by this article and any credit calculated on taxes paid pursuant to this article by an electing city partnership or an electing city resident S corporation to a partner, member or shareholder of such entity that is eligible for or claims to be eligible for a credit under subsection (a) of section eight hundred seventy of this article.

(f) The comptroller shall retain in the comptroller's hands such amount as the commissioner may determine necessary for refunds in respect to the taxes imposed pursuant to the authority of this article, out of which the comptroller shall pay any refunds of such taxes to which taxpayers shall be entitled under any law enacted pursuant to the authority of this article.

§ 2. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 43-a to read as follows:

(43-a) City pass-through entity tax deduction addback. In the case of a taxpayer who claims a credit allowed under subsection (g) of section thirteen hundred ten of this chapter, an amount equal to the amount of such credit.

§ 3. Section 1310 of the tax law is amended by adding a new subsection (g) to read as follows:

(g) Credit for city pass-through entity tax. (1) A taxpayer who is a partner or member of an electing city partnership and a taxpayer shareholder of an electing city resident S corporation subject to tax under article twenty-four-B of this chapter shall be entitled to a credit against the tax imposed pursuant to the authority of this article as provided in this subsection. For purposes of this subsection, the terms "electing city partnership," "electing city resident S corporation," "city pass-through entity tax," and "direct share of city pass-through entity tax" shall have the same meanings provided in article twenty-four-B of this chapter.

(2) The amount of the credit shall be equal to the partner's, member's or shareholder's direct share of the city pass-through entity tax.
(3) If a taxpayer is a partner, member or shareholder in more than one electing city partnership and/or electing city resident S corporation that is subject to tax pursuant to article twenty-four-B of this chapter, the amount of the credit of such taxpayer shall be equal to the sum of the amounts of such credits calculated pursuant to paragraph two of this subsection with regard to each entity in which such taxpayer has a direct ownership interest.

(4) If the amount of the credit allowable pursuant to this subsection for any taxable year exceeds the tax due for such year pursuant to this article, the excess amount shall be treated as an overpayment, to be credited or refunded, without interest.

(5) Limitation on credit. No credit shall be allowed to a taxpayer under this subsection unless the electing city partnership or electing city resident S corporation provided sufficient information to identify such taxpayer on its city pass-through entity tax return as required under paragraph two of subsection (c) of section eight hundred seventy-two of this chapter for an electing city partnership or paragraph two of subsection (d) of section eight hundred seventy-two of this chapter for an electing city resident S corporation. The credit allowed to a taxpayer under this subsection shall not exceed the direct share of city pass-through entity tax reported by such electing city partnership or electing city resident S corporation attributable to such taxpayer on such electing city partnership or electing city resident S corporation's return filed pursuant to section eight hundred seventy-two of this chapter.

§ 4. Subsection (b) of section 1313 of the tax law, as amended by section 8 of part C of chapter 58 of the laws of 2005, is amended to read as follows:

(b) The comptroller shall retain in the comptroller's hands such amount as the commissioner may determine to be necessary for refunds in respect to the taxes imposed pursuant to the authority of this article or former article two-E of the general city law and for reasonable costs of the commissioner in administering, collecting and distributing such taxes and the tax imposed pursuant to article twenty-four-B of this chapter, out of which the comptroller shall pay any refunds of such taxes to which taxpayers shall be entitled under any law enacted pursuant to the authority of this article or former article two-E of the general city law.

§ 5. Subdivision 15 of section 2799-bb of the public authorities law, as added by chapter 16 of the laws of 1997, is amended to read as follows:

15. "Tax revenues" means the taxes paid or payable to the authority pursuant to subsection (d) of section eight hundred seventy-three, or section thirteen hundred thirteen, of the tax law and such other revenues as the authority may derive directly from the state from taxes imposed by the city or the state and collected by the state.

§ 6. Subdivision 5 of section 2799-hh of the public authorities law, as added by chapter 16 of the laws of 1997, is amended to read as follows:

5. Tax revenues received by the authority pursuant to subsection (d) of section eight hundred seventy-three, or section thirteen hundred thirteen, of the tax law, together with any alternative revenues received by the authority, shall be applied in the following order of priority: first pursuant to the authority's contracts with bondholders, then to pay the authority's operating expenses not otherwise provided for, and then pursuant to the authority's agreements with the city,
which agreements shall require the authority to transfer the balance of 
such taxes not required to meet contractual or other obligations of the 
authority to the city as frequently as practicable.

§ 7. Section 2799-ii of the public authorities law, as amended by 
section 8 of part A of chapter 88 of the laws of 2000, is amended to 
read as follows:

§ 2799-ii. Agreement with the state. The state does hereby pledge and 
agree with the holders of any issue of bonds and/or bond anticipation 
notes secured by such a pledge that the state will not limit or alter 
the rights hereby vested in the authority to fulfill the terms of any 
agreements made with such holders pursuant to this title, or in any way 
impair the rights and remedies of such holders or the security for such 
bonds and/or bond anticipation notes until such bonds and/or bond antic- 
ipation notes, together with the interest thereon and all costs and 
expenses in connection with any action or proceeding by or on behalf of 
such holders, are fully paid and discharged. Nothing contained in this 
section shall be deemed to restrict the right of the state to amend, 
modify, repeal or otherwise alter statutes imposing or relating to the 
taxes payable to the authority pursuant to subsection (d) of section 
eight hundred seventy-three and section thirteen hundred thirteen of the 
tax law, but such taxes shall in all events continue to be so payable so 
long as any such taxes are imposed. Not less than thirty days prior to 
the beginning of each city fiscal year, the chairperson of the authority 
shall certify to the state comptroller, the governor, and the members of 
the board of directors of the authority a schedule of maximum annual 
debt service payments due on the bonds and notes of the corporation then 
outstanding. To the extent that the tax revenues payable to the authori-

§ 8. Section 2799-jj of the public authorities law, as added by chap-
ter 16 of the laws of 1997, is amended to read as follows:

§ 2799-jj. Agreement with the city. The city is authorized to pledge 
and agree with the holders of any issue of bonds and/or bond antic- 
ipation notes secured by such a pledge that the city will not limit or 
alter the rights hereby vested in the authority to fulfill the terms of 
any agreements made with such holders pursuant to this title, or in any 
way impair the rights and remedies of such holders or the security for 
such bonds and/or bond anticipation notes until such bonds and/or bond 
anticipation notes, together with the interest thereon and all costs and 
expenses in connection with any action or proceeding by or on behalf of 

subsection (d) of section eight hundred seventy-three and section十三 hundred thirteen of the tax law during such fiscal year 
are projected by the mayor to be insufficient to meet at least one 
hundred fifty percent of maximum annual debt service on authority bonds 
then outstanding, the mayor shall so notify the state comptroller and 
the state comptroller shall pay to the authority from alternative reven-
ues such amount as is necessary to provide at least one hundred fifty 
percent of the maximum annual debt service; provided, however, that for 
so long as any indebtedness of the municipal assistance corporation for 
the city of New York remains outstanding no alternative revenues that 
are, as of the effective date of this title, or may in the future be, 
required to be deposited in the municipal assistance tax fund estab-
lished under section ninety-two-d of the state finance law shall be paid 
to the authority except out of funds that are otherwise required to be 
paid to the city under such section of the state finance law. Nothing in 
this section shall be deemed to obligate the state to make any addi-
tional payments or impose any taxes to satisfy the debt service obli-
gations of the authority.

§ 8. Section 2799-jj of the public authorities law, as added by chap-
ter 16 of the laws of 1997, is amended to read as follows:

§ 2799-jj. Agreement with the city. The city is authorized to pledge 
and agree with the holders of any issue of bonds and/or bond antic- 
ipation notes secured by such a pledge that the city will not limit or 
alter the rights hereby vested in the authority to fulfill the terms of 
any agreements made with such holders pursuant to this title, or in any 
way impair the rights and remedies of such holders or the security for 
such bonds and/or bond anticipation notes until such bonds and/or bond 
anticipation notes, together with the interest thereon and all costs and 
expenses in connection with any action or proceeding by or on behalf of
such holders, are fully paid and discharged. Nothing contained in this section shall be deemed to restrict any right the city may have to amend, modify or otherwise alter local laws imposing or relating to the taxes payable to the authority pursuant to subsection (d) of section eight hundred seventy-three or section thirteen hundred thirteen of the tax law so long as, after giving effect to such amendment, modification or other alteration, the amount of tax revenues projected by the mayor to be available to the authority during each of its fiscal years following the effective date of such amendment, modification or other alteration shall be not less than one hundred fifty percent of maximum annual debt service on authority bonds then outstanding.

§ 9. Subparagraph 3 of paragraph (b) of subdivision 8 of section 11-602 of the administrative code of the city of New York, as amended by chapter 525 of the laws of 1988, is amended to read as follows:

(3) taxes on or measured by profits or income paid or accrued to the United States, any of its possessions or to any foreign country, including taxes in lieu of any of the foregoing taxes otherwise generally imposed by any foreign country or by any possession of the United States, or taxes on or measured by profits or income paid or accrued to the state or any subdivision thereof, including taxes paid or accrued under article nine, nine-A, thirteen-A, twenty-four-A, twenty-four-B of the tax law or under article thirty-two of the tax law as such article was in effect on December thirty-first, two thousand fourteen.

§ 10. Paragraph 2 of subdivision (b) of section 11-641 of the administrative code of the city of New York, as amended by section 6 of part D of chapter 60 of the laws of 2015, is amended to read as follows:

(2) taxes on or measured by income or profits paid or accrued within the taxable year to the United States, or any of its possessions or to any foreign country [and], taxes on or measured by income or profits paid or accrued to the state or any subdivision thereof, including taxes imposed under article nine, nine-A, thirteen-A, twenty-four-A, twenty-four-B of the tax law, or under article thirty-two of the tax law as such article was in effect on December thirty-first, two thousand fourteen and any tax imposed under this part or subchapter two or three-A of this chapter;

§ 11. Section 11-1706 of the administrative code of the city of New York is amended by adding a new subdivision (g) to read as follows:

(g) Credit for city pass-through entity tax. (1) A taxpayer who is a partner or member of an electing city partnership and a taxpayer shareholder of an electing city resident S corporation subject to tax under article twenty-four-B of the tax law shall be entitled to a credit against the tax imposed by such article. For purposes of this subdivision, the terms "electing city partnership," "electing city resident S corporation," "city pass-through entity tax," and "direct share of city pass-through entity tax" shall have the same meanings as used in article twenty-four-B of the tax law.

(2) The amount of the credit shall be equal to the partner's, member's or shareholder's direct share of the city pass-through entity tax.

(3) If a taxpayer is a partner, member or shareholder in more than one electing city partnership and/or electing city resident S corporation that is subject to tax pursuant to article twenty-four-B of the tax law, the amount of the credit of such taxpayer shall be equal to the sum of the amounts of such credits calculated pursuant to paragraph two of this subdivision with regard to each entity in which such taxpayer has a direct ownership interest.
(4) If the amount of the credit allowable pursuant to this subdivision for any taxable year exceeds the tax due for such year pursuant to article twenty-four-B of the tax law, the excess amount shall be treated as an overpayment, to be credited or refunded, without interest.
(5) Limitation on credit. No credit shall be allowed to a taxpayer under this subdivision unless the electing city partnership or electing city resident S corporation provided sufficient information to identify such taxpayer on its city pass-through entity tax return as required under paragraph two of subsection (c) of section eight hundred seventy-two of the tax law for an electing city resident S corporation. The credit allowed to a taxpayer under this subdivision shall not exceed the direct share of city pass-through entity tax reported by such electing city partnership or electing city resident S corporation attributable to such taxpayer on such electing city partnership's or such electing city resident S corporation's return filed pursuant to section eight hundred seventy-two of the tax law.

§ 12. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2023; provided, however, that subparagraph 3 of paragraph (b) of subdivision 8 of section 11-602 of the administrative code of the city of New York as amended by section nine of this act and paragraph 2 of subdivision (b) of section 11-641 of the administrative code of the city of New York as amended by section ten of this act other than the amendments in those sections relating to article 24-B of the tax law, shall be deemed to have been in full force and effect on and after January 1, 2021.

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

PART NN

Section 1. Subsection (c-1) of section 606 of the tax law is amended by adding a new paragraph 4 to read as follows:

(4) (A) For tax year two thousand twenty-one, the commissioner shall issue a payment of a supplemental empire state child credit in the amount of (i) one hundred percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was less than ten thousand dollars; (ii) seventy-five percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to ten thousand dollars but less than twenty-five thousand dollars; (iii) fifty percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to twenty-five thousand dollars but less than fifty thousand dollars; and (iv) twenty-five percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to fifty thousand dollars. Provided, however, that no payment shall be issued if it is less than twenty-five dollars.

(B) The supplemental payment pursuant to this paragraph will be allowed to taxpayers who timely filed returns pursuant to section six hundred fifty-one of this article, determined with regard to extensions pursuant to section sex hundred fifty-seven of this article.
§ 2. Subsection (d) of section 606 of the tax law is amended by adding a new paragraph 8 to read as follows:

(8) For tax year two thousand twenty-one, the commissioner shall issue a payment of a supplemental earned income tax credit to resident taxpayers in the amount of twenty-five percent of the earned income tax credit calculated and allowed pursuant to this subsection. Such payment will be allowed to resident taxpayers who timely filed returns pursuant to section six hundred fifty-one of this article, determined with regard to extensions pursuant to section six hundred fifty-seven of this article. Provided, however, that no payment shall be issued if it is less than twenty-five dollars.

§ 3. Subsection (d-1) of section 606 of the tax law is amended by adding a new paragraph 9 to read as follows:

(9) For tax year two thousand twenty-one, the commissioner shall issue a payment of a supplemental enhanced earned income tax credit in the amount of twenty-five percent of the enhanced earned income tax credit calculated and allowed pursuant to this subsection. Such payment will be allowed to taxpayers who timely filed returns pursuant to section six hundred fifty-one of this article, determined with regard to extensions pursuant to section six hundred fifty-seven of this article. Provided, however, that no payment shall be issued if it is less than twenty-five dollars.

§ 4. This act shall take effect immediately.

PART OO

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 for taxable years beginning on or after January first, two thousand twenty-three and before January first, two thousand twenty-eight.

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

(3) Qualified 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 as defined in section twelve hundred sixty-two of the public authorities law 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) All applicants to this program are required, as a condition of receiving the credit, to include in the credits of each digital game development media production language and a logo to be provided by the governor's office of motion picture and television development acknowledging the state's role in the creation of the production.
(5) A qualified digital gaming media production 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 department of economic 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 department of economic 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.

(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 five million dollars. Such credit shall be allocated by the department of economic development 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 predominantly 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; and (iii) animation, simulation or embedded graphics digital gaming related software intended for commercial distribution regardless of medium; provided, however, that the qualified digital game development media productions described in subparagraphs (i) through (iii) of this paragraph must have digital media production costs equal to or in excess of one hundred thousand dollars per production. 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 interactive games), gambling (including activities regulated by a New York gaming agency), or political advocacy purposes.

(2) "Digital gaming media production costs" means any costs for wages or salaries paid to individuals, other than actors or writers, directly employed for services performed by those individuals directly and predominantly in the creation of a digital gaming media production or productions. Up to one hundred thousand dollars in wages and salaries paid to such employees, other than actors and writers, directly employed shall be used in the calculation of this credit. Digital gaming media production costs include but shall not be limited to payments for 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, other costs not directly and predominantly related to the creation, production or modification of digital gaming media or costs used by the taxpayer as a basis of the calculation of any other tax credit allowed under this chapter. 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 if the digital gaming media production entity has more than ten employees. Salaries or other income to a person serving in such a role for the digital gaming media production entity shall also not be included if the person was employed by a related person of the digital gaming media production entity within sixty months of the date the digital gaming media production entity applied for the tax credit certificate described in subdivision (d) of this section. For purposes of the preceding sentence, a related person shall have the same meaning as the term "related person" in section four hundred sixty-five of the internal revenue code. Furthermore, any income or other distribution to any individual including, but not limited to, licensing or royalty fees, who holds an ownership interest in a digital gaming media production entity, whether or not such individual is serving in the role of chief executive officer, chief financial officer, president, treasurer or similar position for such an entity, shall not be included as digital gaming media production costs. Up to four million dollars in qualified digital gaming media production costs per production shall be used in the calculation of this credit. Digital gaming media 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.

(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.

(4) "Digital gaming media production entity" means a corporation, partnership, limited partnership or other entity or individual engaged in qualified digital game development media production.

(d) To be eligible for the empire state digital gaming media production credit, the taxpayer shall have been issued a certificate of tax credit by the department of economic development, which certificate shall set forth the amount of the credit that may be claimed and the taxable year in which it shall be claimed. The taxpayer shall be allowed to claim only the amount listed on the certificate of tax credit for that taxable year. In order to properly administer this credit, the department shall be allowed to exchange information with the department of economic development about the taxpayers claiming this credit, including information about the tax credits claimed. 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. The taxpayer shall claim the tax credit in the taxable year that begins in the year for which it is allocated credit under this section.

(e) 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. Under no circumstances may a single taxpayer receive more than one million five hundred thousand dollars in tax credits per year.

(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. 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:

(nn) 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. Under no circumstances may a single taxpayer receive more than one million five hundred thousand dollars in tax credits per year.

(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.

§ 5. The state commissioner of economic development, after consulting with the state commissioner of taxation and finance, shall promulgate regulations by July 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 by the department of economic development, to substantiate to the New York state department of taxation and finance
the amount of tax credits allocated to such taxpayers, under what condi-
tions 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 July 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
department of economic development shall file a report on a biannual
basis with the director of the division of the budget and the chair-
persons 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 informa-
tion 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;
(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;
(d) a list of each eligible digital gaming project and for each of
those projects, (i) the estimated number of employees associated with
the project, (ii) the estimated qualifying costs for the project, (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 claim-
ing 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 department of economic development 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; 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.

3. In the event that this tax credit program is no longer legally in effect, the department shall not be required to produce the reports referenced in subdivisions one and two of this section.

§ 7. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2023 and before January 1, 2028.

PART PP

Section 1. Paragraph (a) of subdivision 9 of section 208 of the tax law is amended by adding a new subparagraph 23 to read as follows:

(23) The amount of any federal deduction disallowed pursuant to section 280E of the internal revenue code related to the production and distribution of adult-use cannabis products, as defined by article twenty-C of this chapter, not used as the basis for any other tax deduction, exemption, or credit and not otherwise required to be added back by paragraph (b) of this subdivision in computing entire net income.

§ 2. 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 federal deduction disallowed pursuant to section 280E of the internal revenue code related to the production and distribution of adult-use cannabis products, as defined by article twenty-C of this chapter, not used as the basis for any other tax deduction, exemption, or credit and not otherwise required to be added back by subsection (b) of this section in computing New York adjusted gross income.

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

PART QQ

Section 1. The opening paragraph of subdivision 7 of section 221 of the racing, pari-mutuel wagering and breeding law, as separately amended by chapter 243 and 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
§ 1. 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 RR

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

§ 47. Suspension of certain taxes on motor fuel and Diesel motor fuel.

(a) Definitions. For purposes of this section:

(1) "Distributor" shall have the same meaning as that term is defined in subdivision one of section two hundred eighty-two of this chapter;

(2) "Motor fuel" shall have the same meaning as that term is defined in subdivision two of section two hundred eighty-two of this chapter;

(3) "Diesel motor fuel" shall mean "highway diesel motor fuel" as defined in subdivision sixteen-a of section two hundred eighty-two of this chapter;

(4) The terms "retail sale", "sale" and "use" shall have the same meanings as those terms are defined in section eleven hundred one of this chapter.

(b) Notwithstanding any other law to the contrary, the following taxes shall be suspended beginning on June first, two thousand twenty-two and ending on December thirty-first, two thousand twenty-two: (1) the taxes imposed on Diesel motor fuel by subdivision one of section two hundred eighty-two-a, and sections two hundred eighty-two-b and two hundred eighty-two-c of this chapter; (2) the taxes imposed on motor fuel by sections two hundred eighty-four, two hundred eighty-four-a and two hundred eighty-four-c of this chapter; and (3) the prepaid sales taxes imposed on motor fuel and Diesel motor fuel by subdivision (a) of section eleven hundred two of this chapter.

(c) Notwithstanding any other law to the contrary, beginning on June first, two thousand twenty-two and ending on December thirty-first, two thousand twenty-two, the state sales and use taxes imposed by sections eleven hundred five, eleven hundred nine and eleven hundred ten of this chapter...
chapter shall not apply to sales or uses of motor fuel or Diesel motor fuel, and the provisions of subdivision (e), and paragraphs one and two of subdivision (m) of section eleven hundred eleven of this chapter shall be suspended. Nothing in this subdivision shall affect the application of the taxes imposed pursuant to the authority of article twenty-nine of this chapter to motor fuel or Diesel motor fuel.

(d) The taxes described in subdivisions (b) and (c) of this section shall not be included in the price of motor fuel or Diesel motor fuel sold for the period beginning on June first, two thousand twenty-two and ending on December thirty-first, two thousand twenty-two. Any retailer that purchases motor fuel or Diesel motor fuel during such period upon which such taxes were previously paid and included in the price paid by such retailer shall be entitled to a refund or credit of such taxes.

(e) Notwithstanding any other law to the contrary, beginning on June first, two thousand twenty-two and ending on December thirty-first, two thousand twenty-two, the composite rates of tax applicable for purposes of subdivision two of section five hundred three-a and subdivision (b) of section five hundred twenty-three of this chapter shall be determined without reference to the suspension of the taxes described by subdivisions (b) and (c) of this section, but shall be computed using the respective rates in effect on May thirty-first, two thousand twenty-two.

(f) Notwithstanding any other provision of law to the contrary, on or before the fifth day each month for the period beginning July, two thousand twenty-two and ending January, two thousand twenty-three, the comptroller shall, in consultation with the director of the division of the budget, transfer from the general fund to the mass transportation operating assistance fund created by section eighty-eight-a of the state finance law, the dedicated highway and bridge trust fund established by section eighty-nine-b of such law, and the dedicated mass transportation trust fund established by section eighty-nine-c of such law, amounts equal to the revenue distributed to such funds from the taxes described in subdivisions (b) and (c) of this section in state fiscal year two thousand twenty-one--twelve thousand twenty-two, adjusted by the change in such amounts projected for state fiscal year two thousand twenty-two--two thousand twenty-three as if the suspension of such taxes had not occurred, as reflected in the state fiscal year two thousand twenty-two--two thousand twenty-three enacted budget.

(g) Every person engaged in the retail sale of motor fuel or Diesel motor fuel or a distributor of such fuels, shall comply with the provisions of this section 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 or imposed on retail customers resulting from the suspension of taxes on motor fuel and Diesel motor fuel under this section.

§ 2. Paragraph 4 of subdivision (m) of section 1111 of the tax law, as amended by section 1 of part M-1 of chapter 109 of the laws of 2006, is amended to read as follows:

(4) Paragraph one of this subdivision shall not apply to the sales and compensating use taxes imposed by a local law, ordinance or resolution of a municipality pursuant to the authority of subpart B of part one of article twenty-nine of this chapter, in regard to retail sales of motor fuel and diesel motor fuel. The legislative body of such a municipality, by local law, ordinance or resolution in exactly the form prepared by the commissioner, may elect that its sales and compensating use taxes, in regard to the retail sale of motor fuel and diesel motor fuel, shall be computed, as determined by the commissioner, at a rate of cents per
gallon, rounded to the nearest cent, equal to two or four dollars, as determined by the municipality, multiplied by the percentage rate of such taxes within the municipality.

§ 3. This act shall take effect immediately.

§ 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 RR of this act shall be as specifically set forth in the last section of such Parts.