

# STATE OF NEW YORK

S. 4009--C

A. 3009--C

## SENATE - ASSEMBLY

February 1, 2023

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 -- 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 providing the authority to abate interest for taxpayers impacted by declared disasters (Part A); to amend the tax law, in relation to clarifying the definition of limited partner for the purposes of the metropolitan commuter transportation mobility tax (Part B); to amend the tax law, in relation to making the investment tax credit refundable for eligible farmers for five years (Part C); to amend the tax law, in relation to the empire state film production credit and the empire state film post-production credit (Part D); to amend the tax law, in relation to the abatement of penalties for underpayment of estimated tax by a corporation (Part E); to amend the economic development law, in relation to the COVID-19 capital costs tax credit program (Part F); to amend the social services law and the tax law, in relation to creating a tax credit for the creation and expansion of child care (Part G); to amend the tax law and the administrative code of the city of New York, in relation to a credit for certain businesses engaged in biotechnologies (Part H); to amend the tax law, in relation to extending the current corporate tax rates (Subpart A); to amend the tax law, in relation to extending the rehabilitation of historic properties tax credit (Subpart B); to amend the tax law, in relation to extending the empire

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

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state commercial production tax credit for five years (Subpart C); to amend the tax law, in relation to extending provisions of law relating to the grade No. 6 heating oil conversion tax credit (Subpart D); to amend subpart B of part PP of chapter 59 of the laws of 2021 amending the tax law and the state finance law relating to establishing the New York city musical and theatrical production tax credit and establishing the New York state council on the arts cultural program fund, in relation to the effectiveness thereof; and to amend the tax law, in relation to the New York city musical and theatrical production tax credit (Subpart E)(Part I); to amend the tax law, in relation to making technical corrections to the credit for companies who provide transportation to individuals with disabilities (Subpart A); to amend the tax law, in relation to eligibility for the brownfield redevelopment tax credit (Subpart B); to amend the tax law, in relation to the pass-through entity tax and city pass-through entity tax and making technical corrections thereto (Subpart C) (Part J); to amend the real property tax law, in relation to simplifying certain senior citizens real property tax exemptions (Part K); to amend chapter 540 of the laws of 1992, amending the real property tax law relating to oil and gas charges, in relation to the effectiveness thereof (Part L); intentionally omitted (Part M); to amend the real property tax law and the state administrative procedure act, in relation to clarifying the solar or wind energy system appraisal model (Part N); intentionally omitted (Part O); to repeal certain provisions of the tax law, relating to eliminating congestion surcharge registration requirements (Part P); to amend the tax law, in relation to the payment of tax on increased quantities of motor fuel and Diesel motor fuel on which the taxes pursuant to articles 12-A, 13-A and 28 were not previously paid (Part Q); to amend the tax law, in relation to extending the sales tax exemption for certain sales made through vending machines (Part R); to amend the tax law, in relation to an increase in the rate of tax on cigarettes (Part S); to amend the tax law, in relation to the revocation of certain certificates and civil penalties for refusal of a cigarette and tobacco inspection (Part T); to amend the tax law and the administrative code of the city of New York, in relation to extending the tax rate reduction under the New York state real estate transfer tax and the New York city real property transfer tax for conveyances of real property to existing real estate investment funds (Part U); to amend the tax law, in relation to permitting the commissioner of taxation and finance to seek judicial review of decisions of the tax appeals tribunal (Part V); to amend the state finance law, in relation to clarifying the deposit timeframe for moneys deposited by the commissioner of taxation and finance (Part W); to amend the racing, pari-mutuel wagering and breeding law and the tax law, in relation to requiring the New York Racing Association, Inc. to enter into a repayment agreement with the state of New York for the repayment of funds provided by the state for the renovation of Belmont Park racetrack; and in relation to the membership of the franchise oversight board (Part X); intentionally omitted (Part Y); intentionally omitted (Part Z); intentionally omitted (Part AA); 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 BB); intentionally omitted (Part CC); to amend the state finance law, in relation to the liability of a person who presents false claims for money or property to the state or a local government (Part DD); to repeal subparagraph 9 of paragraph (e) of subdivision 1 of section 210-B of the tax law relating to the transferability of the investment tax credit (Part EE); to amend the tax law, in relation to the amount of credit for cider, wine, and liquor under the alcoholic beverage production credit (Part FF); and to amend the tax law, in relation to establishing a permanent rate for the metropolitan transportation business tax surcharge (Part GG)

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

1 Section 1. This act enacts into law major components of legislation  
2 which are necessary to implement the state fiscal plan for the 2023-2024  
3 state fiscal year. Each component is wholly contained within a Part  
4 identified as Parts A through GG. The effective date for each particular  
5 provision contained within such Part is set forth in the last section of  
6 such Part. Any provision in any section contained within a Part,  
7 including the effective date of the Part, which makes a reference to a  
8 section "of this act", when used in connection with that particular  
9 component, shall be deemed to mean and refer to the corresponding  
10 section of the Part in which it is found. Section three of this act sets  
11 forth the general effective date of this act.

12 PART A

13 Section 1. The opening paragraph of paragraph a of subdivision twenty-  
14 eighth of section 171 of the tax law, as amended by chapter 451 of  
15 the laws of 2022, is amended to read as follows:

16 [~~In the case of a taxpayer who is determined for federal tax purposes~~  
17 ~~under the provisions of~~] Have the authority to postpone certain dead-  
18 lines for a period of up to ninety days, or longer when necessary to  
19 align with relief provided by the Internal Revenue Service pursuant to  
20 section seven thousand five hundred eight-A of the internal revenue code  
21 [~~to be affected by a presidentially declared disaster, or who~~], for a  
22 taxpayer who is determined [~~under regulations promulgated by the commis-~~  
23 ~~sioner~~] to be affected by a presidentially declared disaster or by a  
24 disaster emergency declared by the governor[, ~~have authority to provide~~  
25 ~~that a period of up to ninety days, or a longer period when necessary to~~  
26 ~~align with relief that has already been provided by the Internal Revenue~~  
27 ~~Service under the authority to postpone certain deadlines in section~~  
28 ~~seven thousand five hundred eight-A of the internal revenue code, may~~].  
29 Any extension period provided pursuant to the authority in this subdivi-  
30 sion shall be disregarded in determining under the tax law, or under a  
31 law enacted pursuant to the authority of the tax law or former article  
32 2-E of the general city law where administered by the commissioner, in  
33 respect of any tax liability (including any interest, penalty, addi-  
34 tional amount, or addition to the tax) of such taxpayer:

1 § 2. Paragraph c of subdivision twenty-eighth of section 171 of the  
2 tax law, as added by chapter 8 of the laws of 1998, is amended to read  
3 as follows:

4 c. Definitions. 1. Presidentially declared disaster. For purposes of  
5 this subdivision, the term "presidentially declared disaster" means any  
6 disaster which, with respect to an area, resulted in a subsequent deter-  
7 mination by the president of the United States that such area warrants  
8 assistance by the federal government under the disaster relief and emer-  
9 gency assistance act.

10 2. Taxpayer. For purposes of this subdivision, the term "taxpayer"  
11 means any person or entity required to file a return or remit any tax to  
12 the commissioner pursuant to this chapter.

13 § 3. Subdivision twenty-eighth of section 171 of the tax law is  
14 amended by adding a new paragraph d to read as follows:

15 d. Where a taxpayer who, pursuant to section seven thousand five  
16 hundred eight-a of the internal revenue code, is determined for federal  
17 tax purposes to be affected by a presidentially declared disaster, or  
18 who is determined to be affected by a disaster emergency declared by the  
19 governor, but the commissioner has not postponed a tax deadline pursuant  
20 to the authority in paragraph a of this subdivision due to such disas-  
21 ter, the commissioner may abate any amount of interest from the under-  
22 payment of any tax administered by the commissioner under this chapter  
23 that accrued for the period during which the taxpayer was unable to meet  
24 such deadline due to direct impacts of the disaster.

25 § 4. This act shall take effect immediately.

26 PART B

27 Section 1. Subsection (e) of section 800 of the tax law, as added by  
28 section 1 of part C of chapter 25 of the laws of 2009, is amended to  
29 read as follows:

30 (e) Net earnings from self-employment. Net earnings from self-employ-  
31 ment has the same meaning as in section 1402 of the internal revenue  
32 code, provided, however, that for purposes of determining whether the  
33 exclusion pursuant to paragraph 13 of subsection (a) of section 1402 of  
34 the internal revenue code applies, an individual shall not be considered  
35 a limited partner if the individual, directly or indirectly, takes part  
36 in the control, or participates in the management or operations of the  
37 partnership such that the individual is not a passive investor, regard-  
38 less of the individual's title or characterization in a partnership or  
39 operating agreement.

40 § 2. This act shall take effect immediately.

41 PART C

42 Section 1. Paragraph (d) of subdivision 1 of section 210-B of the tax  
43 law, as amended by section 31 of part T of chapter 59 of the laws of  
44 2015, is amended to read as follows:

45 (d) Except as otherwise provided in this paragraph, the credit allowed  
46 under this subdivision for any taxable year shall not reduce the tax due  
47 for such year to less than the fixed dollar minimum amount prescribed in  
48 paragraph (d) of subdivision one of section two hundred ten of this  
49 article. However, if the amount of credit allowable under this subdivi-  
50 sion for any taxable year reduces the tax to such amount or if the  
51 taxpayer otherwise pays tax based on the fixed dollar minimum amount,  
52 any amount of credit allowed for a taxable year commencing prior to

1 January first, nineteen hundred eighty-seven and not deductible in such  
2 taxable year may be carried over to the following year or years and may  
3 be deducted from the taxpayer's tax for such year or years but in no  
4 event shall such credit be carried over to taxable years commencing on  
5 or after January first, two thousand two, and any amount of credit  
6 allowed for a taxable year commencing on or after January first, nine-  
7 teen hundred eighty-seven and not deductible in such year may be carried  
8 over to the fifteen taxable years next following such taxable year and  
9 may be deducted from the taxpayer's tax for such year or years. In lieu  
10 of such carryover, (i) any such taxpayer which qualifies as a new busi-  
11 ness under paragraph (f) of this subdivision may elect to treat the  
12 amount of such carryover as an overpayment of tax to be credited or  
13 refunded in accordance with the provisions of section ten hundred eight-  
14 y-six of this chapter, and (ii) any such taxpayer that is an eligible  
15 farmer, as defined in subdivision eleven of this section, may for taxa-  
16 ble years beginning before January first, two thousand twenty-eight,  
17 elect to treat the amount of such carryover as an overpayment of tax to  
18 be credited or refunded in accordance with the provisions of section one  
19 thousand eighty-six of this chapter, provided, however, the provisions  
20 of subsection (c) of section ten hundred eighty-eight of this chapter  
21 notwithstanding, no interest shall be paid thereon.

22 § 2. Paragraph 5 of subsection (a) of section 606 of the tax law, as  
23 amended by chapter 170 of the laws of 1994, is amended to read as  
24 follows:

25 (5) If the amount of credit allowable under this subsection for any  
26 taxable year shall exceed the taxpayer's tax for such year, the excess  
27 allowed for a taxable year commencing prior to January first, nineteen  
28 hundred eighty-seven may be carried over to the following year or years  
29 and may be deducted from the taxpayer's tax for such year or years, but  
30 in no event shall such credit be carried over to taxable years commenc-  
31 ing on or after January first, nineteen hundred ninety-seven, and any  
32 amount of credit allowed for a taxable year commencing on or after Janu-  
33 ary first, nineteen hundred eighty-seven and not deductible in such year  
34 may be carried over to the ten taxable years next following such taxable  
35 year and may be deducted from the taxpayer's tax for such year or years.  
36 In lieu of carrying over any such excess, (A) a taxpayer who qualifies  
37 as an owner of a new business for purposes of paragraph ten of this  
38 subsection may, at [~~his~~] the taxpayer's option, receive such excess as a  
39 refund, and (B) a taxpayer that is an eligible farmer as defined in  
40 subsection (n) of this section may, at the taxpayer's option, for taxa-  
41 ble years beginning before January first, two thousand twenty-eight  
42 receive such excess as a refund. Any refund paid pursuant to this para-  
43 graph shall be deemed to be a refund of an overpayment of tax as  
44 provided in section six hundred eighty-six of this article, provided,  
45 however, that no interest shall be paid thereon.

46 § 3. This act shall take effect immediately, and apply to property  
47 placed in service on or after January 1, 2023.

48

## PART D

49 Section 1. Paragraph 2 of subdivision (a) of section 24 of the tax  
50 law, as separately amended by sections 1 and 2 of part M of chapter 59  
51 of the laws of 2020, is amended to read as follows:

52 (2) The amount of the credit shall be the product (or pro rata share  
53 of the product, in the case of a member of a partnership) of [~~twenty-~~  
54 ~~five~~] thirty percent and the qualified production costs paid or incurred

1 in the production of a qualified film, provided that: (i) the qualified  
2 production costs (excluding post production costs) paid or incurred  
3 which are attributable to the use of tangible property or the perform-  
4 ance of services at a qualified film production facility in the  
5 production of such qualified film equal or exceed seventy-five percent  
6 of the production costs (excluding post production costs) paid or  
7 incurred which are attributable to the use of tangible property or the  
8 performance of services at any film production facility within and with-  
9 out the state in the production of such qualified film, and (ii) except  
10 with respect to a qualified independent film production company or  
11 pilot, at least ten percent of the total principal photography shooting  
12 days spent in the production of such qualified film must be spent at a  
13 qualified film production facility. However, if the qualified production  
14 costs (excluding post production costs) which are attributable to the  
15 use of tangible property or the performance of services at a qualified  
16 film production facility in the production of such qualified film is  
17 less than three million dollars, then the portion of the qualified  
18 production costs attributable to the use of tangible property or the  
19 performance of services in the production of such qualified film outside  
20 of a qualified film production facility shall be allowed only if the  
21 shooting days spent in New York outside of a film production facility in  
22 the production of such qualified film equal or exceed seventy-five  
23 percent of the total shooting days spent within and without New York  
24 outside of a film production facility in the production of such quali-  
25 fied film. The credit shall be allowed for the taxable year in which the  
26 production of such qualified film is completed. However, in the case of  
27 a qualified film that receives funds from additional pool 2, no credit  
28 shall be claimed before the later of (1) the taxable year the production  
29 of the qualified film is complete, or (2) the ~~[first]~~ taxable year  
30 ~~[beginning immediately after the]~~ that includes the last day of the  
31 allocation year for which the film has been allocated credit by the  
32 ~~[governor's office for motion picture and television]~~ department of  
33 economic development. If the amount of the credit is at least one  
34 million dollars but less than five million dollars, the credit shall be  
35 claimed over a two year period beginning in the first taxable year in  
36 which the credit may be claimed and in the next succeeding taxable year,  
37 with one-half of the amount of credit allowed being claimed in each  
38 year. If the amount of the credit is at least five million dollars, the  
39 credit shall be claimed over a three year period beginning in the first  
40 taxable year in which the credit may be claimed and in the next two  
41 succeeding taxable years, with one-third of the amount of the credit  
42 allowed being claimed in each year.

43 § 2. Paragraph 5 of subdivision (a) of section 24 of the tax law, as  
44 amended by section 2 of part M of chapter 59 of the laws of 2022, is  
45 amended to read as follows:

46 (5) For the period two thousand fifteen through two thousand ~~[twenty-~~  
47 ~~nine]~~ thirty-four, in addition to the amount of credit established in  
48 paragraph two of this subdivision, a taxpayer shall be allowed a credit  
49 equal to (i) the product (or pro rata share of the product, in the case  
50 of a member of a partnership) of ten percent and the ~~[amount of]~~ wages  
51 ~~[or]~~ salaries or other compensation constituting qualified production  
52 costs as defined in paragraph two of subdivision (b) of this section,  
53 paid to individuals directly employed ~~[(excluding those employed as~~  
54 ~~writers, directors, music directors, producers and performers, including~~  
55 ~~background actors with no scripted lines)]~~ by a qualified film  
56 production company or a qualified independent film production company



1 for services performed by those individuals in one of the counties spec-  
2 ified in this paragraph in connection with a qualified film with a mini-  
3 mum budget of five hundred thousand dollars, and (ii) the product (or  
4 pro rata share of the product, in the case of a member of a partnership)  
5 of ten percent and the qualified production costs (excluding wages,  
6 salaries or other compensation) paid or incurred in the production of a  
7 qualified film where the property constituting such qualified production  
8 costs was used, and the services constituting such qualified production  
9 costs were performed in any of the counties specified in this paragraph  
10 in connection with a qualified film with a minimum budget of five  
11 hundred thousand dollars where the majority of principal photography  
12 shooting days in the production of such film were shot in any of the  
13 counties specified in this paragraph. Provided, however, that the aggre-  
14 gate total eligible qualified production costs constituting wages, sala-  
15 ries or other compensation, for writers, directors, composers, produc-  
16 ers, and performers shall not exceed forty percent of the aggregate sum  
17 total of all other qualified production costs. For purposes of [~~this~~  
18 ~~additional~~] the credit, the services must be performed and the property  
19 must be used in one or more of the following counties: Albany, Allegany,  
20 Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton,  
21 Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin, Fulton,  
22 Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madi-  
23 son, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario, Orange,  
24 Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenectady,  
25 Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan, Tioga,  
26 Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or Yates. [~~The~~  
27 ~~aggregate amount of tax credits allowed pursuant to the authority of~~  
28 ~~this paragraph shall be five million dollars each year during the period~~  
29 ~~two thousand fifteen through two thousand twenty-nine of the annual~~  
30 ~~allocation made available to the program pursuant to paragraph four of~~  
31 ~~subdivision (c) of this section. Such aggregate amount of credits shall~~  
32 ~~be allocated by the governor's office for motion picture and television~~  
33 ~~development among taxpayers in order of priority based upon the date of~~  
34 ~~filing an application for allocation of film production credit with such~~  
35 ~~office. If the total amount of allocated credits applied for under this~~  
36 ~~paragraph in any year exceeds the aggregate amount of tax credits~~  
37 ~~allowed for such year under this paragraph, such excess shall be treated~~  
38 ~~as having been applied for on the first day of the next year. If the~~  
39 ~~total amount of allocated tax credits applied for under this paragraph~~  
40 ~~at the conclusion of any year is less than five million dollars, the~~  
41 ~~remainder shall be treated as part of the annual allocation made avail-~~  
42 ~~able to the program pursuant to paragraph four of subdivision (c) of~~  
43 ~~this section. However, in no event may the total of the credits allo-~~  
44 ~~cated under this paragraph and the credits allocated under paragraph~~  
45 ~~five of subdivision (a) of section thirty-one of this article exceed~~  
46 ~~five million dollars in any year during the period two thousand fifteen~~  
47 ~~through two thousand twenty-nine.]~~

48 § 2-a. Paragraph 1 of subdivision (b) of section 24 of the tax law, as  
49 amended by section 4 of part B of chapter 59 of the laws of 2013, is  
50 amended to read as follows:

51 (1) "Qualified production costs" means production costs only to the  
52 extent such costs are attributable to the use of tangible property or  
53 the performance of services within the state directly and predominantly  
54 in the production (including pre-production and post production) of a  
55 qualified film. In the case of an eligible relocated television series,  
56 the term "qualified production costs" shall include, in the first season

1 that the eligible relocated television series is produced in New York  
2 after relocation, qualified relocation costs. Provided, however, that  
3 the aggregate total eligible qualified production costs for producers,  
4 writers, directors, performers (other than background actors with no  
5 scripted lines), and composers shall not exceed forty percent of the  
6 aggregate sum total of all other qualified production costs.

7 § 3. Paragraph 2 of subdivision (b) of section 24 of the tax law, as  
8 added by section 1 of part P of chapter 60 of the laws of 2004, is  
9 amended to read as follows:

10 (2) "Production costs" means any costs for tangible property used and  
11 services performed directly and predominantly in the production (includ-  
12 ing pre-production and post production) of a qualified film.  
13 "Production costs" shall not include (i) costs for a story, script or  
14 scenario to be used for a qualified film and (ii) wages or salaries or  
15 other compensation for writers, directors, [~~including music directors~~]  
16 composers, [~~producers~~] and performers (other than background actors with  
17 no scripted lines) to the extent those wages or salaries or other  
18 compensation exceed five hundred thousand dollars per individual.  
19 "Production costs" generally include technical and crew production  
20 costs, such as expenditures for film production facilities, or any part  
21 thereof, props, makeup, wardrobe, film processing, camera, sound record-  
22 ing, set construction, lighting, shooting, editing and meals, and shall  
23 include the wages, salaries or other compensation of no more than two  
24 producers per qualified film, not to exceed five hundred thousand  
25 dollars per producer, where only one of whom is the principal individual  
26 responsible for overseeing the creative and managerial process of  
27 production of the qualified film and only one of whom is the principal  
28 individual responsible for the day-to-day operational management of  
29 production of the qualified film; provided, however, that such producers  
30 are not compensated for any other position on the qualified film by a  
31 qualified film production company or a qualified independent film  
32 production company for services performed.

33 § 4. Paragraph 8 of subdivision (b) of section 24 of the tax law, as  
34 added by section 2 of part B of chapter 59 of the laws of 2013, is  
35 amended to read as follows:

36 (8) "Relocated television production" shall mean, notwithstanding the  
37 limitations in subparagraph (i) of paragraph three of this subdivision,  
38 a television production that is a talk or variety program that filmed at  
39 least [~~five~~] two seasons outside the state prior to its first relocated  
40 season in New York, the episodes are filmed before a studio audience of  
41 two hundred or more, and the relocated television production incurs (i)  
42 at least thirty million dollars in annual production costs in the state,  
43 or (ii) at least ten million dollars in capital expenditures at a quali-  
44 fied production facility in the state.

45 § 5. Subdivision (b) of section 24 of the tax law is amended by adding  
46 a new paragraph 9 to read as follows:

47 (9) "Eligible relocated television series" shall mean the first two  
48 years of a regularly occurring production intended to run in its initial  
49 broadcast, regardless of the medium or mode of its distribution, in a  
50 series of narrative and/or thematically related episodes, each of which  
51 has a running time of at least thirty minutes in length (inclusive of  
52 commercial advertisement and interstitial programming, if any), which  
53 had filmed a minimum of six episodes of the television series outside  
54 the state immediately prior to relocating to the state, where the tele-  
55 vision series had a total minimum budget of at least one million dollars  
56 per episode. For the purposes of this definition only, a television



1 series produced by and for media services providers described as stream-  
2 ing services and/or digital platforms (and excluding network/cable)  
3 shall mean a regularly occurring production intended to run in its  
4 initial release in a series of narrative and/or thematically related  
5 episodes, the aggregate length of which is at least seventy-five  
6 minutes, although the episodes themselves may vary in duration from the  
7 thirty minutes specified for network/cable production.

8 § 5-a. Subdivision (b) of section 24 of the tax law is amended by  
9 adding a new paragraph 10 to read as follows:

10 (10) "Qualified relocation costs" means the costs incurred, excluding  
11 wages, salaries and other compensation, in the first season that an  
12 eligible relocated television series relocates to New York including  
13 such costs incurred to transport sets, props and wardrobe to New York  
14 and other costs as determined by the department of economic development  
15 to the extent such costs do not exceed six million dollars.

16 § 6. Paragraph 4 of subdivision (e) of section 24 of the tax law, as  
17 amended by section 3 of part M of chapter 59 of the laws of 2022, is  
18 amended to read as follows:

19 (4) Additional pool 2 - The aggregate amount of tax credits allowed in  
20 subdivision (a) of this section shall be increased by an additional four  
21 hundred twenty million dollars in each year starting in two thousand ten  
22 through two thousand [~~twenty-nine~~] twenty-three and seven hundred  
23 million dollars each year starting in two thousand twenty-four through  
24 two thousand thirty-four, provided however, seven million dollars of the  
25 annual allocation shall be available for the empire state film post  
26 production credit pursuant to section thirty-one of this article in two  
27 thousand thirteen and two thousand fourteen, twenty-five million dollars  
28 of the annual allocation shall be available for the empire state film  
29 post production credit pursuant to section thirty-one of this article in  
30 each year starting in two thousand fifteen through two thousand [~~twen-~~  
31 ~~ty-nine-and~~] twenty-three, and forty-five million dollars of the annual  
32 allocation shall be available for the empire state film post production  
33 credit pursuant to section thirty-one of this article in each year  
34 starting in two thousand twenty-four through two thousand thirty-four.  
35 Provided further, five million dollars of the annual allocation shall be  
36 made available for the television writers' and directors' fees and sala-  
37 ries credit pursuant to section twenty-four-b of this article in each  
38 year starting in two thousand twenty through two thousand [~~twenty-nine~~  
39 ~~thirty-four~~]. This amount shall be allocated by the [~~governor's office~~  
40 ~~for motion picture and television~~] department of economic development  
41 among taxpayers in accordance with subdivision (a) of this section. If  
42 the commissioner of economic development determines that the aggregate  
43 amount of tax credits available from additional pool 2 for the empire  
44 state film production tax credit have been previously allocated, and  
45 determines that the pending applications from eligible applicants for  
46 the empire state film post production tax credit pursuant to section  
47 thirty-one of this article is insufficient to utilize the balance of  
48 unallocated empire state film post production tax credits from such  
49 pool, the remainder, after such pending applications are considered,  
50 shall be made available for allocation in the empire state film tax  
51 credit pursuant to this section, subdivision twenty of section two  
52 hundred ten-B and subsection (gg) of section six hundred six of this  
53 chapter. Also, if the commissioner of economic development determines  
54 that the aggregate amount of tax credits available from additional pool  
55 2 for the empire state film post production tax credit have been previ-  
56 ously allocated, and determines that the pending applications from

1 eligible applicants for the empire state film production tax credit  
2 pursuant to this section is insufficient to utilize the balance of unal-  
3 located film production tax credits from such pool, then all or part of  
4 the remainder, after such pending applications are considered, shall be  
5 made available for allocation for the empire state film post production  
6 credit pursuant to this section, subdivision thirty-two of section two  
7 hundred ten-B and subsection (qq) of section six hundred six of this  
8 chapter. The [~~governor's office for motion picture and television~~]  
9 department of economic development must notify taxpayers of their allo-  
10 cation year and include the allocation year on the certificate of tax  
11 credit. Taxpayers eligible to claim a credit must report the allocation  
12 year directly on their empire state film production credit tax form for  
13 each year a credit is claimed and include a copy of the certificate with  
14 their tax return. In the case of a qualified film that receives funds  
15 from additional pool 2, no empire state film production credit shall be  
16 claimed before the later of (1) the taxable year the production of the  
17 qualified film is complete, or (2) the taxable year [~~immediately follow-~~  
18 ing] that includes the last day of the allocation year for which the  
19 film has been allocated credit by the [~~governor's office for motion~~  
20 picture and television] department of economic development.

21 § 7. Paragraph 4 of subdivision (e) of section 24 of the tax law, as  
22 amended by section 4 of part M of chapter 59 of the laws of 2022, is  
23 amended to read as follows:

24 (4) Additional pool 2 - The aggregate amount of tax credits allowed in  
25 subdivision (a) of this section shall be increased by an additional four  
26 hundred twenty million dollars in each year starting in two thousand ten  
27 through two thousand [~~twenty-nine~~] twenty-three and seven hundred  
28 million dollars in each year starting in two thousand twenty-four  
29 through two thousand thirty-four, provided however, seven million  
30 dollars of the annual allocation shall be available for the empire state  
31 film post production credit pursuant to section thirty-one of this arti-  
32 cle in two thousand thirteen and two thousand fourteen [~~and~~], twenty-  
33 five million dollars of the annual allocation shall be available for the  
34 empire state film post production credit pursuant to section thirty-one  
35 of this article in each year starting in two thousand fifteen through  
36 two thousand [~~twenty-nine~~] twenty-three, and forty-five million dollars  
37 of the annual allocation shall be available for the empire state film  
38 post production credit pursuant to section thirty-one of this article in  
39 each year starting in two thousand twenty-four through two thousand  
40 thirty-four. This amount shall be allocated by the [~~governor's office~~  
41 for motion picture and television] department of economic development  
42 among taxpayers in accordance with subdivision (a) of this section. If  
43 the commissioner of economic development determines that the aggregate  
44 amount of tax credits available from additional pool 2 for the empire  
45 state film production tax credit have been previously allocated, and  
46 determines that the pending applications from eligible applicants for  
47 the empire state film post production tax credit pursuant to section  
48 thirty-one of this article is insufficient to utilize the balance of  
49 unallocated empire state film post production tax credits from such  
50 pool, the remainder, after such pending applications are considered,  
51 shall be made available for allocation in the empire state film tax  
52 credit pursuant to this section, subdivision twenty of section two  
53 hundred ten-B and subsection (gg) of section six hundred six of this  
54 chapter. Also, if the commissioner of economic development determines  
55 that the aggregate amount of tax credits available from additional pool  
56 2 for the empire state film post production tax credit have been previ-

1 ously allocated, and determines that the pending applications from  
2 eligible applicants for the empire state film production tax credit  
3 pursuant to this section is insufficient to utilize the balance of unal-  
4 located film production tax credits from such pool, then all or part of  
5 the remainder, after such pending applications are considered, shall be  
6 made available for allocation for the empire state film post production  
7 credit pursuant to this section, subdivision thirty-two of section two  
8 hundred ten-B and subsection (qq) of section six hundred six of this  
9 chapter. The [~~governor's office for motion picture and television~~]  
10 department of economic development must notify taxpayers of their allo-  
11 cation year and include the allocation year on the certificate of tax  
12 credit. Taxpayers eligible to claim a credit must report the allocation  
13 year directly on their empire state film production credit tax form for  
14 each year a credit is claimed and include a copy of the certificate with  
15 their tax return. In the case of a qualified film that receives funds  
16 from additional pool 2, no empire state film production credit shall be  
17 claimed before the later of (1) the taxable year the production of the  
18 qualified film is complete, or (2) the taxable year [~~immediately follow-~~  
19 ~~ing~~] that includes the last day of the allocation year for which the  
20 film has been allocated credit by the [~~governor's office for motion~~  
21 ~~picture and television~~] department of economic development.

22 § 8. Paragraph 2 of subdivision (a) of section 31 of the tax law, as  
23 amended by section 5 of part M of chapter 59 of the laws of 2020, is  
24 amended to read as follows:

25 (2) The amount of the credit shall be the product (or pro rata share  
26 of the product, in the case of a member of a partnership) of [~~twenty-~~  
27 ~~five~~] thirty percent and the qualified post production costs paid in the  
28 production of a qualified film at a qualified post production facility  
29 located within the metropolitan commuter transportation district as  
30 defined in section twelve hundred sixty-two of the public authorities  
31 law or [~~thirty~~] thirty-five percent and the qualified post production  
32 costs paid in the production of a qualified film at a qualified post  
33 production facility located elsewhere in the state.

34 § 9. Paragraph 6 of subdivision (a) of section 31 of the tax law, as  
35 amended by section 6 of part M of chapter 59 of the laws of 2022, is  
36 amended to read as follows:

37 (6) For the period two thousand fifteen through two thousand [~~twenty-~~  
38 ~~nine~~] thirty-four, in addition to the amount of credit established in  
39 paragraph two of this subdivision, a taxpayer shall be allowed a credit  
40 equal to the product (or pro rata share of the product, in the case of a  
41 member of a partnership) of ten percent and the amount of wages or sala-  
42 ries paid to individuals directly employed (excluding those employed as  
43 writers, directors, [~~music directors~~] composers, producers and perform-  
44 ers, [~~including~~] other than background actors with no scripted lines)  
45 for services performed by those individuals in one of the counties spec-  
46 ified in this paragraph in connection with the post production work on a  
47 qualified film with a minimum budget of five hundred thousand dollars at  
48 a qualified post production facility in one of the counties listed in  
49 this paragraph. For purposes of this additional credit, the services  
50 must be performed in one or more of the following counties: Albany,  
51 Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango,  
52 Clinton, Columbia, Cortland, Delaware, Dutchess, Erie, Essex, Franklin,  
53 Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Living-  
54 ston, Madison, Monroe, Montgomery, Niagara, Oneida, Onondaga, Ontario,  
55 Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Saratoga, Schenec-  
56 tady, Schoharie, Schuyler, Seneca, St. Lawrence, Steuben, Sullivan,

1 Tioga, Tompkins, Ulster, Warren, Washington, Wayne, Wyoming, or Yates.  
2 ~~[The aggregate amount of tax credits allowed pursuant to the authority~~  
3 ~~of this paragraph shall be five million dollars each year during the~~  
4 ~~period two thousand fifteen through two thousand twenty-nine of the~~  
5 ~~annual allocation made available to the empire state film post~~  
6 ~~production credit pursuant to paragraph four of subdivision (e) of~~  
7 ~~section twenty-four of this article. Such aggregate amount of credits~~  
8 ~~shall be allocated by the governor's office for motion picture and tele-~~  
9 ~~vision development among taxpayers in order of priority based upon the~~  
10 ~~date of filing an application for allocation of post production credit~~  
11 ~~with such office. If the total amount of allocated credits applied for~~  
12 ~~under this paragraph in any year exceeds the aggregate amount of tax~~  
13 ~~credits allowed for such year under this paragraph, such excess shall be~~  
14 ~~treated as having been applied for on the first day of the next year. If~~  
15 ~~the total amount of allocated tax credits applied for under this para-~~  
16 ~~graph at the conclusion of any year is less than five million dollars,~~  
17 ~~the remainder shall be treated as part of the annual allocation for two~~  
18 ~~thousand seventeen made available to the empire state film post~~  
19 ~~production credit pursuant to paragraph four of subdivision (e) of~~  
20 ~~section twenty-four of this article. However, in no event may the total~~  
21 ~~of the credits allocated under this paragraph and the credits allocated~~  
22 ~~under paragraph five of subdivision (a) of section twenty four of this~~  
23 ~~article exceed five million dollars in any year during the period two~~  
24 ~~thousand fifteen through two thousand twenty-nine.]~~

25 § 9-a. Paragraph 3 of subdivision (b) of section 24 of the tax law, as  
26 amended by section 5 of part F of chapter 59 of the laws of 2021, is  
27 amended to read as follows:

28 (3) "Qualified film" means a feature-length film, television film,  
29 relocated television production, television pilot or television series,  
30 regardless of the medium by means of which the film, pilot or series is  
31 created or conveyed. For the purposes of the credit provided by this  
32 section only, a "qualified film" whose majority of principal photography  
33 shooting days in the production of the qualified film are shot in West-  
34 chester, Rockland, Nassau, or Suffolk county or any of the five New York  
35 City boroughs shall have a minimum budget of one million dollars. A  
36 "qualified film", whose majority of principal photography shooting days  
37 in the production of the qualified film are shot in any other county of  
38 the state than those listed in the preceding sentence shall have a mini-  
39 mum budget of two hundred fifty thousand dollars. "Qualified film" shall  
40 not include: (i) a documentary film, news or current affairs program,  
41 interview or talk program, "how-to" (i.e., instructional) film or  
42 program, film or program consisting primarily of stock footage, sporting  
43 event or sporting program, game show, award ceremony, film or program  
44 intended primarily for industrial, corporate or institutional end-users,  
45 fundraising film or program, daytime drama (i.e., daytime "soap opera"),  
46 commercials, music videos or "reality" program; (ii) a production for  
47 which records are required under section 2257 of title 18, United States  
48 code, to be maintained with respect to any performer in such production  
49 (reporting of books, films, etc. with respect to sexually explicit  
50 conduct); or (iii) other than a relocated television production, a tele-  
51 vision series commonly known as variety entertainment, variety sketch  
52 and variety talk, i.e., a program with components of improvisational or  
53 scripted content (monologues, sketches, interviews), either exclusively  
54 or in combination with other entertainment elements such as musical  
55 performances, dancing, cooking, crafts, pranks, stunts, and games and  
56 which may be further defined in regulations of the commissioner of

1 economic development. However, a qualified film shall include a tele-  
 2 vision series as described in subparagraph (iii) of this paragraph only  
 3 if an application for such series has been deemed conditionally eligible  
 4 for the tax credit under this section prior to April first, two thousand  
 5 twenty, such series remains in continuous production for each season,  
 6 and an annual application for each season of such series is continually  
 7 submitted for such series after April first, two thousand twenty. A  
 8 series that changes either or both the title of the series or the prin-  
 9 cipal cast prior to March thirty-first, two thousand twenty-three, shall  
 10 be considered to remain in continuous production for each season,  
 11 provided the series films at the same location as prior seasons, is  
 12 produced by the same entity, and retains at least eighty percent of the  
 13 staff from the prior season.

14 § 10. This act shall take effect immediately and shall apply to  
 15 initial applications received on or after April 1, 2023; provided,  
 16 however, that the amendments to paragraph 4 of subdivision (e) of  
 17 section 24 of the tax law made by section six of this act shall take  
 18 effect on the same date and in the same manner as section 6 of chapter  
 19 683 of the laws of 2019, as amended, takes effect.

20 PART E

21 Section 1. Section 1085 of the tax law is amended by adding a new  
 22 subsection (e-1) to read as follows:

23 (e-1) Waiver of addition for underpayment of estimated tax. No addi-  
 24 tion to tax shall be imposed under subsection (c) of this section with  
 25 respect to any underpayment to the extent the commissioner determines  
 26 that by reason of casualty, disaster or other unusual circumstances the  
 27 imposition of such addition to tax would be against equity and good  
 28 conscience.

29 § 2. This act shall take effect immediately.

30 PART F

31 Section 1. Subdivision 4 of section 484 of the economic development  
 32 law, as added by section 1 of part E of chapter 59 of the laws of 2022,  
 33 is amended to read as follows:

34 4. The business entity must submit its application by [~~March thirty-~~  
 35 ~~first~~] September thirtieth, two thousand twenty-three.

36 § 2. This act shall take effect immediately.

37 PART G

38 Section 1. Article 6 of the social services law is amended by adding a  
 39 new title 1-A to read as follows:

40 TITLE 1-A

41 CHILD CARE CREATION AND EXPANSION TAX CREDIT PROGRAM

42 Section 394. Short title.

43 394-a. Definitions.

44 394-b. Eligibility criteria.

45 394-c. Application and approval process.

46 394-d. Child care creation and expansion tax credit.

47 394-e. Allocation of credit.

48 394-f. Powers and duties of the commissioner.

49 394-g. Maintenance of records.



1 § 394. Short title. This title shall be known and may be cited as the  
2 "child care creation and expansion tax credit program act".

3 § 394-a. Definitions. For the purposes of this title:

4 1. "Certificate of tax credit" shall mean the document issued to a  
5 business entity by the office after the office has verified that the  
6 business entity has met all applicable eligibility criteria in this  
7 title. The certificate shall specify the exact amount of the tax credit  
8 under this title that a business entity may claim, pursuant to section  
9 three hundred ninety-four-d of this title, and the service year.

10 2. "Child care program" shall mean a child day care for which a  
11 license or registration to operate such program has been issued by the  
12 office pursuant to section three hundred ninety of this article.

13 3. "Child care rate" shall mean the weekly child care subsidy market  
14 rates, based on the eightieth percentile of the 2021-22 New York state  
15 child care market rate survey, for infant and toddler care provided by a  
16 licensed or registered child care program, as reflected in the 2022  
17 child care market rate survey report published by the office in compli-  
18 ance with section 98.45 of title forty-five of the code of federal regu-  
19 lations.

20 4. "Child care seats" shall mean the maximum number of children to be  
21 allowed on the premises of a child care program at any time that such  
22 program is in operation as specified on the license or registration  
23 issued for such program by the office.

24 5. "Creates child care" shall mean the making available of child care  
25 seats in a child care program by a business entity, directly or through  
26 a third-party, for employees of such business entity, where such child  
27 care program was not available prior to April first, two thousand twen-  
28 ty-three, provided that the costs imposed on such employees for such  
29 child care program do not exceed forty percent of the child care rate.

30 6. "Commissioner" shall mean commissioner of the office of children  
31 and family services.

32 7. "Expands child care" shall mean the increase in the number of child  
33 care seats in a child care program made available by a business entity,  
34 directly or through a third party, for employees of such business enti-  
35 ty, provided that such increase requires a new or amended license or  
36 registration issued by the office pursuant to section three hundred  
37 ninety of this article on or after April first, two thousand twenty-  
38 three, and, provided further, that the costs imposed on such employees  
39 for such child care program do not exceed forty percent of the child  
40 care rate.

41 8. "Occupied" shall mean, for each service year in which a child care  
42 program is in operation, the average daily number of children in attend-  
43 ance on the premises of such child care program.

44 9. "Office" shall mean the office of children and family services.

45 10. "Service year" shall mean the twelve-month period, or portion  
46 thereof, commencing on January first and ending on December thirty-  
47 first.

48 § 394-b. Eligibility criteria. 1. To be eligible for a tax credit  
49 under the child care creation and expansion tax credit program, a busi-  
50 ness entity must:

51 (a) be a business entity that is required to file a tax return pursu-  
52 ant to article nine-A, twenty-two or thirty-three of the tax law;

53 (b) be a child care program, or contract with such child care program,  
54 as defined in this title that is licensed or registered pursuant to  
55 section three hundred ninety of this article;



1 (c) create or expand child care seats, directly or through a third  
2 party, for the employees of such business entity on or after April  
3 first, two thousand twenty-three and before January first, two thousand  
4 twenty-five;

5 (d) operate a business location in New York state;

6 (e) be in substantial compliance with any child care licensing laws  
7 and regulations related to the entity's business sector or other laws  
8 and regulations as determined by the commissioner; and

9 (f) not owe past due state taxes or local property taxes unless the  
10 business entity is making payments and complying with an approved bind-  
11 ing payment agreement entered into with the taxing authority.

12 § 394-c. Application and approval process. 1. A business entity must  
13 submit a complete application as prescribed by the commissioner by the  
14 thirty-first of January after the end of the service year.

15 2. The commissioner shall establish procedures for a business entity  
16 to submit applications. As part of the application, each business entity  
17 must:

18 (a) provide evidence in a form and manner prescribed by the commis-  
19 sioner of their business eligibility;

20 (b) provide the license or registration issued to the business entity,  
21 directly or through a third party, by the office to operate a child care  
22 program indicating the number of child care seats created or, in the  
23 case of a child care program that has experienced an expansion of child  
24 care seats, the license or registration issued by the office demonstrat-  
25 ing such expansion;

26 (c) provide evidence in a form and manner prescribed by the commis-  
27 sioner establishing:

28 (i) the total number of child care seats that were occupied during the  
29 service year;

30 (ii) of such total number of child care seats that were occupied, the  
31 number of infant child care seats that were occupied and the number of  
32 toddler child care seats that were occupied;

33 (iii) that, to the extent the business entity, directly or through a  
34 third party, has expanded child care, the number of child care seats in  
35 existence before such expansion and the number of such child care seats  
36 that were occupied before such expansion; and

37 (iv) that the costs imposed on the business entity's employees for  
38 such child care program do not exceed forty percent of the child care  
39 rate;

40 (d) agree to allow the department of taxation and finance to share the  
41 business entity's tax information relevant to the administration of this  
42 title with the office. However, any information shared as a result of  
43 this title shall not be available for disclosure or inspection under the  
44 state freedom of information law;

45 (e) allow the office and its agents access to any and all books and  
46 records the office may require to monitor compliance; and

47 (f) agree to provide any additional information required by the office  
48 relevant to this title.

49 3. After reviewing a business entity's completed final application and  
50 determining that the business entity meets the eligibility criteria as  
51 set forth in this title, the office may issue to that business entity a  
52 certificate of tax credit, which shall set forth the amount of the cred-  
53 it that may be claimed and the service year.

54 § 394-d. Child care creation and expansion tax credit. 1. A business  
55 entity in the child care creation and expansion tax credit program that  
56 meets the eligibility requirements of section three hundred

1 ninety-four-b of this title may be eligible to claim a credit for the  
2 portion of the service year in which the child care program was in oper-  
3 ation, equal to the sum of: (a) the product of the number of infant  
4 child care seats that have been created or expanded and twenty percent  
5 of the child care rate for such infant child care seats and (b) the  
6 product of the number of toddler child care seats that have been created  
7 or expanded and twenty percent of the child care rate for such toddler  
8 child care seats; provided that such infant and toddler child care seats  
9 are child care seats that are occupied. Notwithstanding the preceding  
10 sentence, a credit shall not be allowed for more than twenty-five child  
11 care seats that are occupied, and the amount of such credit may be  
12 reduced as a result of an allocation of available funds, as described in  
13 section three hundred ninety-four-e of this title.

14 2. The credit shall be allowed as provided in section forty-eight,  
15 subdivision fifty-nine of section two hundred ten-B, subsection (ooo) of  
16 section six hundred six and subdivision (ee) of section fifteen hundred  
17 eleven of the tax law.

18 § 394-e. Allocation of credit. The aggregate amount of tax credits  
19 allowed under this title, subdivision fifty-nine of section two hundred  
20 ten-B, subsection (ooo) of section six hundred six and subdivision (ee)  
21 of section fifteen hundred eleven of the tax law shall be twenty-five  
22 million dollars each year during the period two thousand twenty-three  
23 and two thousand twenty-four. Such aggregate amount of credits shall be  
24 allocated by the office on a pro rata basis to each business entity that  
25 demonstrates eligibility pursuant to section three hundred ninety-four-b  
26 of this title.

27 § 394-f. Powers and duties of the commissioner. 1. The commissioner  
28 may promulgate regulations establishing an application process and  
29 eligibility criteria, which will be applied consistent with the purposes  
30 of this title so as not to exceed the annual cap on tax credits set  
31 forth in this title, that, notwithstanding any provisions to the contra-  
32 ry in the state administrative procedure act, may be adopted on an emer-  
33 gency basis.

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

39 3. The commissioner shall solely determine the eligibility of any  
40 business entity applying for entry into the program and shall remove any  
41 business entity from the program for failing to meet any of the require-  
42 ments set forth in section three hundred ninety-four-b of this title.

43 § 394-g. Maintenance of records. Each business entity participating in  
44 the program shall keep all relevant records for the duration of their  
45 participation in the program for at least three years.

46 § 2. The tax law is amended by adding a new section 48 to read as  
47 follows:

48 § 48. Child care creation and expansion tax credit. (a) Allowance of  
49 credit. A taxpayer subject to tax under article nine-A, twenty-two or  
50 thirty-three of this chapter shall be allowed a credit against such tax,  
51 pursuant to the provisions referenced in subdivision (f) of this  
52 section. The amount of the credit is equal to the amount determined  
53 pursuant to section three hundred ninety-four-d of the social services  
54 law and shall be claimed in the taxable year that includes the last day  
55 of the service year for which the credit is calculated. No cost or  
56 expense paid or incurred by the taxpayer that is included as part of the

1 calculation of this credit shall be the basis of any other tax credit  
2 allowed under this chapter.

3 (b) Eligibility. To be eligible for the child care creation and expan-  
4 sion tax credit, the taxpayer shall have been issued a certificate of  
5 tax credit by the office of children and family services pursuant to  
6 section three hundred ninety-four-c of the social services law. A  
7 taxpayer that is a partner in a partnership, member of a limited liabil-  
8 ity company or shareholder in a subchapter S corporation that has  
9 received a certificate of tax credit shall be allowed its pro rata share  
10 of the credit earned by the partnership, limited liability company or  
11 subchapter S corporation.

12 (c) Tax return requirement. The taxpayer shall be required to attach  
13 to its tax return in the form prescribed by the commissioner, proof of  
14 receipt of its certificate of tax credit issued by the commissioner of  
15 the office of children and family services.

16 (d) Information sharing. Notwithstanding any provision of this chap-  
17 ter, employees of the office of children and family services and the  
18 department shall be allowed and are directed to share and exchange:

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

22 (2) information contained in or derived from credit claim forms  
23 submitted to the department. Except as provided in paragraph one of this  
24 subdivision, all information exchanged between the office of children  
25 and family services and the department shall not be subject to disclo-  
26 sure or inspection under the state's freedom of information law.

27 (e) Credit recapture. If a certificate of tax credit issued by the  
28 office of children and family services under title one-A of article six  
29 of the social services law is revoked by such office, the amount of  
30 credit described in this section and claimed by the taxpayer prior to  
31 that revocation shall be added back to tax in the taxable year in which  
32 any such revocation becomes final.

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

35 (1) article 9-A: section 210-B, subdivision 59;

36 (2) article 22: section 606, subsection (oo);

37 (3) article 33: section 1511, subdivision (ee).

38 § 3. Section 210-B of the tax law is amended by adding a new subdivi-  
39 sion 59 to read as follows:

40 59. Child care creation and expansion tax credit. (a) Allowance of  
41 credit. A taxpayer shall be allowed a credit, to be computed as  
42 provided in section forty-eight of this chapter, against the taxes  
43 imposed by this article.

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

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

3 (ooo) Child care creation and expansion tax credit. (1) Allowance of  
4 credit. A taxpayer shall be allowed a credit, to be computed as provided  
5 in section forty-eight of this chapter, against the tax imposed by this  
6 article.

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

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

15 <u>(l) Child care creation and</u>	<u>Amount of credit</u>
16 <u>expansion tax credit under</u>	<u>under subdivision fifty-nine</u>
17 <u>subsection (ooo)</u>	<u>of section two hundred</u>
	18 <u>ten-B</u>

19 § 6. Section 1511 of the tax law is amended by adding a new subdivi-  
20 sion (ee) to read as follows:

21 (ee) Child care creation and expansion tax credit. (1) Allowance of  
22 credit. A taxpayer shall be allowed a credit, to be computed as provided  
23 in section forty-eight of this chapter, against the tax imposed by this  
24 article.

25 (2) Application of credit. The credit allowed under this subdivision  
26 shall not reduce the tax due for such year to be less than the minimum  
27 fixed by paragraph four of subdivision (a) of section fifteen hundred  
28 two or section fifteen hundred two-a of this article, whichever is  
29 applicable. However, if the amount of the credit allowed under this  
30 subdivision for any taxable year reduces the taxpayer's tax to such  
31 amount, any amount of credit thus not deductible will be treated as an  
32 overpayment of tax to be credited or refunded in accordance with the  
33 provisions of section one thousand eighty-six of this chapter.  
34 Provided, however, the provisions of subsection (c) of one thousand  
35 eighty-eight of this chapter notwithstanding, no interest shall be paid  
36 thereon.

37 § 7. This act shall take effect immediately.

38 PART H

39 Section 1. Subdivision (d) of section 1201-a of the tax law, as added  
40 by chapter 453 of the laws of 2009, paragraph 5 as amended by chapter  
41 260 of the laws of 2015, is amended to read as follows:

42 (d) Biotechnology credit. 1. Any city in this state having a popu-  
43 lation of one million or more, acting through its local legislative  
44 body, is hereby authorized to adopt and amend local laws to allow a  
45 credit against the general corporation tax[7] and the unincorporated  
46 business tax [~~and the banking corporation tax~~] imposed pursuant to the  
47 authority of chapter seven hundred seventy-two of the laws of nineteen  
48 hundred sixty-six which shall be substantially identical to the credit  
49 [~~allowed under subdivision twelve C of section two hundred ten of this~~  
50 ~~chapter, except that (A) whenever subdivision twelve C of section two~~  
51 ~~hundred ten of this chapter references the state, such words shall be~~  
52 ~~read as referencing the city, (B) such credit shall be allowed only to a~~  
53 ~~taxpayer that (1) is a qualified emerging technology company pursuant to~~  
54 ~~the provisions of paragraph (c) of subdivision one of section thirty one~~

1 ~~hundred two e of the public authorities law, except that such company~~  
2 ~~shall mean a company located in such city, (2) engages in activities~~  
3 ~~referenced in subparagraph five of paragraph (b) of subdivision one of~~  
4 ~~section thirty-one hundred two e of the public authorities law, and (3)~~  
5 ~~meets the eligibility requirements in paragraph (b) of subdivision~~  
6 ~~twelve C of section two hundred ten of this chapter, and (C)] described~~  
7 ~~in subdivision twenty-one of section 11-654 of the administrative code~~  
8 ~~of the city of New York, against the business corporation tax imposed~~  
9 ~~pursuant to chapter sixty of the laws of two thousand fifteen, except~~  
10 ~~that~~ the effective date of such credit against the general corporation  
11 tax and the unincorporated business tax shall be as provided in such  
12 local laws. [~~Subject to the limitations set forth in paragraph two of~~  
13 ~~this subdivision, such~~]

14 2. The credit allowed by paragraph one of this subdivision shall be  
15 applied in a manner consistent with the credit [~~allowed under subdivi-~~  
16 ~~sion twelve C of section two hundred ten of this chapter~~] described in  
17 subdivision twenty-one of section 11-654 of the administrative code of  
18 the city of New York except as may be necessary to take into account  
19 differences between [~~article nine A of this chapter~~] such business  
20 corporation tax and [~~the~~] such general corporation tax[, ~~the~~] and such  
21 unincorporated business tax [~~or the banking corporation tax~~].

22 [~~2. (A) The percentage of the credit allowed to a taxpayer under this~~  
23 ~~subdivision in any calendar year shall be:~~

24 [~~(1) If the average number of individuals employed full-time by a~~  
25 ~~taxpayer in the city during the calendar year in which the credit is~~  
26 ~~claimed is at least one hundred five percent of the taxpayer's base year~~  
27 ~~employment, one hundred percent, except that in no case shall the credit~~  
28 ~~allowed under this clause exceed two hundred fifty thousand dollars per~~  
29 ~~calendar year. Provided, however, the increase in base year employment~~  
30 ~~shall not apply to a taxpayer allowed a credit under this subdivision~~  
31 ~~that was, (i) located outside of the city, (ii) not doing business, or~~  
32 ~~(iii) did not have any employees, in the year preceding the first year~~  
33 ~~that the credit was claimed.~~

34 [~~(2) If the average number of individuals employed full-time by a~~  
35 ~~taxpayer in the city during the calendar year in which the credit is~~  
36 ~~claimed is less than one hundred five percent of the taxpayer's base~~  
37 ~~year employment, fifty percent, except that in no case shall the credit~~  
38 ~~allowed under this clause exceed one hundred twenty five thousand~~  
39 ~~dollars per calendar year. In the case of an entity located in the city~~  
40 ~~of New York receiving space and business support services by an academic~~  
41 ~~incubator facility, as defined in subparagraph (vi) of paragraph (c) of~~  
42 ~~subdivision twelve C of section two hundred ten of this chapter, if the~~  
43 ~~average number of individuals employed full-time by such facility in the~~  
44 ~~city during the calendar year in which the credit allowed under this~~  
45 ~~subdivision is claimed is less than one hundred five percent of the~~  
46 ~~taxpayer's base year employment, the credit shall be zero.~~

47 [~~(B) For the purposes of this subdivision, "base year employment" means~~  
48 ~~the average number of individuals employed full-time by the taxpayer in~~  
49 ~~the city in the year preceding the first calendar year in which the~~  
50 ~~credit is claimed.~~

51 [~~(C) For the purposes of this subdivision, average number of individ-~~  
52 ~~uals employed full-time shall be computed by adding the number of such~~  
53 ~~individuals employed by the taxpayer at the end of each quarter during~~  
54 ~~each calendar year or other applicable period and dividing the sum so~~  
55 ~~obtained by the number of such quarters occurring within such calendar~~  
56 ~~year or other applicable period.]~~



1 3. The aggregate amount of tax credits allowed under this subdivision  
2 in any calendar year shall be up to three million dollars. Such aggre-  
3 gate amount of credits shall be allocated by the New York city depart-  
4 ment of finance among eligible taxpayers on a pro rata basis. Taxpayers  
5 eligible for such pro rata allocation shall be determined by the New  
6 York city department of finance no later than February twenty-eighth of  
7 the succeeding calendar year in which [~~the~~] a credit provided [~~in~~]  
8 pursuant to this subdivision is applied.

9 4. The New York city department of finance shall establish by rule [~~by~~  
10 ~~October thirty-first, two thousand nine,~~] procedures for the allocation  
11 of tax credits [~~as required by paragraph two of this subdivision~~]  
12 allowed by local laws adopted pursuant to this subdivision. Such rules  
13 shall include provisions describing the application process, the due  
14 dates for such applications, the standards that shall be used to evalu-  
15 ate the applications, the documentation that will be provided to taxpay-  
16 ers to substantiate the amount of tax credits allocated to such taxpay-  
17 ers, and such other provisions as deemed necessary and appropriate.

18 5. Any local law adopted pursuant to this subdivision may provide for  
19 a credit as authorized by this subdivision for a maximum of three  
20 consecutive calendar years, provided, however, that any such credit:

21 (A) may not apply to taxable years beginning before January first, two  
22 thousand ten or beginning on or after January first, two thousand nine-  
23 teen; and

24 (B) may not apply to taxable years beginning before January first, two  
25 thousand twenty-three or beginning on or after January first, two thou-  
26 sand twenty-six.

27 6. Any city in this state having a population of one million or more,  
28 acting through its local legislative body, is authorized to provide the  
29 credit set forth in subdivision twenty-one of section 11-654 of the  
30 administrative code of the city of New York, against the business corpo-  
31 ration tax imposed pursuant to chapter sixty of the laws of two thousand  
32 fifteen, for a maximum of three consecutive calendar years, provided,  
33 however, that such credit may not apply to taxable years beginning  
34 before January first, two thousand twenty-three or beginning on or after  
35 January first, two thousand twenty-six.

36 § 2. Subparagraph 1 of paragraph (a) of subdivision 21 of section  
37 11-654 of the administrative code of the city of New York, as added by  
38 section 1 of part D of chapter 60 of the laws of 2015, is amended to  
39 read as follows:

40 (1) A taxpayer that is a qualified emerging technology company,  
41 engages in biotechnologies, and meets the eligibility requirements of  
42 this subdivision, shall be allowed a credit against the tax imposed by  
43 this subchapter. The amount of credit shall be equal to the sum of the  
44 amounts specified in subparagraphs three, four and five of this para-  
45 graph, subject to the limitations in [~~subparagraph~~] subparagraphs six  
46 and seven of this paragraph [~~and~~], paragraph (b) of this subdivision,  
47 and paragraph three of subdivision (d) of section twelve hundred one-a  
48 of the tax law. For the purposes of this subdivision, "qualified emerg-  
49 ing technology company" shall mean a company located in the city: (i)  
50 whose primary products or services are classified as emerging technolo-  
51 gies and whose total annual product sales are ten million dollars or  
52 less; or (ii) a company that has research and development activities in  
53 the city and whose ratio of research and development funds to net sales  
54 equals or exceeds the average ratio for all surveyed companies classi-  
55 fied as determined by the National Science Foundation in the most recent  
56 published results from its Survey of Industry Research and Development,



1 or any comparable successor survey as determined by the department of  
2 finance, and whose total annual product sales are ten million dollars or  
3 less. For the purposes of this subdivision, the definition of research  
4 and development funds shall be the same as that used by the National  
5 Science Foundation in the aforementioned survey. For the purposes of  
6 this subdivision, "biotechnologies" shall mean the technologies involv-  
7 ing the scientific manipulation of living organisms, especially at the  
8 molecular and/or the sub-molecular genetic level, to produce products  
9 conducive to improving the lives and health of plants, animals, and  
10 humans; and the associated scientific research, pharmacological, mechan-  
11 ical, and computational applications and services connected with these  
12 improvements. Activities included with such applications and services  
13 shall include, but not be limited to, alternative mRNA splicing, DNA  
14 sequence amplification, antigenetic switching bioaugmentation, bioen-  
15 richment, bioremediation, chromosome walking, cytogenetic engineering,  
16 DNA diagnosis, fingerprinting, and sequencing, electroporation, gene  
17 translocation, genetic mapping, site-directed mutagenesis, bio-transduc-  
18 tion, bio-mechanical and bio-electrical engineering, and bio-informat-  
19 ics.

20 § 3. This act shall take effect immediately, and shall apply to tax  
21 years beginning on or after January 1, 2023.

22

## PART I

23 Section 1. This Part enacts into law major components of legislation  
24 relating to extending various taxes and tax credits. Each component is  
25 wholly contained within a Subpart identified as Subparts A through E.  
26 The effective date for each particular provision contained within such  
27 Subpart is set forth in the last section of such Subpart. Any provision  
28 in any section contained within a Subpart, including the effective date  
29 of the Subpart, which makes reference to a section "of this act", when  
30 used in connection with that particular component, shall be deemed to  
31 mean and refer to the corresponding section of the Subpart in which it  
32 is found. Section three of this Part sets forth the general effective  
33 date of this Part.

34

## SUBPART A

35 Section 1. The opening paragraph of paragraph (a) of subdivision 1 of  
36 section 210 of the tax law, as amended by section 1 of part HHH of chap-  
37 ter 59 of the laws of 2021, is amended to read as follows:

38 For taxable years beginning before January first, two thousand  
39 sixteen, the amount prescribed by this paragraph shall be computed at  
40 the rate of seven and one-tenth percent of the taxpayer's business  
41 income base. For taxable years beginning on or after January first, two  
42 thousand sixteen, the amount prescribed by this paragraph shall be six  
43 and one-half percent of the taxpayer's business income base. For taxable  
44 years beginning on or after January first, two thousand twenty-one and  
45 before January first, two thousand [~~twenty-four~~] twenty-seven for any  
46 taxpayer with a business income base for the taxable year of more than  
47 five million dollars, the amount prescribed by this paragraph shall be  
48 seven and one-quarter percent of the taxpayer's business income base.  
49 The taxpayer's business income base shall mean the portion of the  
50 taxpayer's business income apportioned within the state as hereinafter  
51 provided. However, in the case of a small business taxpayer, as defined  
52 in paragraph (f) of this subdivision, the amount prescribed by this

1 paragraph shall be computed pursuant to subparagraph (iv) of this para-  
2 graph and in the case of a manufacturer, as defined in subparagraph (vi)  
3 of this paragraph, the amount prescribed by this paragraph shall be  
4 computed pursuant to subparagraph (vi) of this paragraph, and, in the  
5 case of a qualified emerging technology company, as defined in subpara-  
6 graph (vii) of this paragraph, the amount prescribed by this paragraph  
7 shall be computed pursuant to subparagraph (vii) of this paragraph.

8 § 2. Subparagraph 1 of paragraph (b) of subdivision 1 of section 210  
9 of the tax law, as amended by section 2 of part HHH of chapter 59 of the  
10 laws of 2021, is amended to read as follows:

11 (1) (i) The amount prescribed by this paragraph shall be computed  
12 at .15 percent for each dollar of the taxpayer's total business capital,  
13 or the portion thereof apportioned within the state as hereinafter  
14 provided for taxable years beginning before January first, two thousand  
15 sixteen. However, in the case of a cooperative housing corporation as  
16 defined in the internal revenue code, the applicable rate shall be .04  
17 percent until taxable years beginning on or after January first, two  
18 thousand twenty and zero percent for taxable years beginning on or after  
19 January first, two thousand twenty-one. The rate of tax for subsequent  
20 tax years shall be as follows: .125 percent for taxable years beginning  
21 on or after January first, two thousand sixteen and before January  
22 first, two thousand seventeen; .100 percent for taxable years beginning  
23 on or after January first, two thousand seventeen and before January  
24 first, two thousand eighteen; .075 percent for taxable years beginning  
25 on or after January first, two thousand eighteen and before January  
26 first, two thousand nineteen; .050 percent for taxable years beginning  
27 on or after January first, two thousand nineteen and before January  
28 first, two thousand twenty; .025 percent for taxable years beginning on  
29 or after January first, two thousand twenty and before January first,  
30 two thousand twenty-one; and .1875 percent for years beginning on or  
31 after January first, two thousand twenty-one and before January first,  
32 two thousand [~~twenty-four~~] twenty-seven, and zero percent for taxable  
33 years beginning on or after January first, two thousand [~~twenty-four~~]  
34 twenty-seven. Provided however, for taxable years beginning on or after  
35 January first, two thousand twenty-one, the rate of tax for a small  
36 business as defined in paragraph (f) of this subdivision shall be zero  
37 percent. The rate of tax for a qualified New York manufacturer shall be  
38 .132 percent for taxable years beginning on or after January first, two  
39 thousand fifteen and before January first, two thousand sixteen, .106  
40 percent for taxable years beginning on or after January first, two thou-  
41 sand sixteen and before January first, two thousand seventeen, .085  
42 percent for taxable years beginning on or after January first, two thou-  
43 sand seventeen and before January first, two thousand eighteen; .056  
44 percent for taxable years beginning on or after January first, two thou-  
45 sand eighteen and before January first, two thousand nineteen; .038  
46 percent for taxable years beginning on or after January first, two thou-  
47 sand nineteen and before January first, two thousand twenty; .019  
48 percent for taxable years beginning on or after January first, two thou-  
49 sand twenty and before January first, two thousand twenty-one; and zero  
50 percent for years beginning on or after January first, two thousand  
51 twenty-one. (ii) In no event shall the amount prescribed by this para-  
52 graph exceed three hundred fifty thousand dollars for qualified New York  
53 manufacturers and for all other taxpayers five million dollars.

54 § 3. This act shall take effect immediately.

1 Section 1. Subparagraph (A) of paragraph 1 of subsection (oo) of  
2 section 606 of the tax law, as amended by section 1 of part CCC of chap-  
3 ter 59 of the laws of 2021, is amended to read as follows:

4 (A) For taxable years beginning on or after January first, two thou-  
5 sand ten and before January first, two thousand [~~twenty-five~~] thirty, a  
6 taxpayer shall be allowed a credit as hereinafter provided, against the  
7 tax imposed by this article, in an amount equal to one hundred percent  
8 of the amount of credit allowed the taxpayer with respect to a certified  
9 historic structure, and one hundred fifty percent of the amount of cred-  
10 it allowed the taxpayer with respect to a certified historic structure  
11 that is a small project, under internal revenue code section 47(c)(3),  
12 determined without regard to ratably allocating the credit over a five  
13 year period as required by subsection (a) of such section 47, with  
14 respect to a certified historic structure located within the state.  
15 Provided, however, the credit shall not exceed five million dollars. For  
16 taxable years beginning on or after January first, two thousand [~~twen-~~  
17 ~~ty-five~~] thirty, a taxpayer shall be allowed a credit as hereinafter  
18 provided, against the tax imposed by this article, in an amount equal to  
19 thirty percent of the amount of credit allowed the taxpayer with respect  
20 to a certified historic structure under internal revenue code section  
21 47(c)(3), determined without regard to ratably allocating the credit  
22 over a five year period as required by subsection (a) of such section  
23 47, with respect to a certified historic structure located within the  
24 state; provided, however, the credit shall not exceed one hundred thou-  
25 sand dollars.

26 § 2. Subparagraph (i) of paragraph (a) of subdivision 26 of section  
27 210-B of the tax law, as amended by section 2 of part CCC of chapter 59  
28 of the laws of 2021, is amended to read as follows:

29 (i) For taxable years beginning on or after January first, two thou-  
30 sand ten, and before January first, two thousand [~~twenty-five~~] thirty, a  
31 taxpayer shall be allowed a credit as hereinafter provided, against the  
32 tax imposed by this article, in an amount equal to one hundred percent  
33 of the amount of credit allowed the taxpayer for the same taxable year  
34 with respect to a certified historic structure, and one hundred fifty  
35 percent of the amount of credit allowed the taxpayer with respect to a  
36 certified historic structure that is a small project, under internal  
37 revenue code section 47(c)(3), determined without regard to ratably  
38 allocating the credit over a five year period as required by subsection  
39 (a) of such section 47, with respect to a certified historic structure  
40 located within the state. Provided, however, the credit shall not exceed  
41 five million dollars.

42 § 3. Clause (B) of subparagraph (ii) of paragraph (a) of subdivision  
43 26 of section 210-B of the tax law, as added by section 17 of part A of  
44 chapter 59 of the laws of 2014, is redesignated as paragraph (a-1) and  
45 is amended to read as follows:

46 (a-1) If the taxpayer is a partner in a partnership or a shareholder  
47 in a New York S corporation, then the credit caps imposed in [~~subpara-~~  
48 ~~graph (A)] paragraph (a) of this [~~paragraph~~] subdivision shall be  
49 applied at the entity level, so that the aggregate credit allowed to all  
50 the partners or shareholders of each such entity in the taxable year  
51 does not exceed the credit cap that is applicable in that taxable year.~~

52 § 4. Subparagraph (ii) of paragraph (a) of subdivision 26 of section  
53 210-B of the tax law, as amended by section 2 of part RR of chapter 59  
54 of the laws of 2018, is amended to read as follows:

55 (ii) For taxable years beginning on or after January first, two thou-  
56 sand [~~twenty-five~~] thirty, a taxpayer shall be allowed a credit as here-

1 inafter provided, against the tax imposed by this article, in an amount  
2 equal to thirty percent of the amount of credit allowed the taxpayer for  
3 the same taxable year determined without regard to ratably allocating  
4 the credit over a five year period as required by subsection (a) of  
5 section 47 of the internal revenue code, with respect to a certified  
6 historic structure under subsection (c)(3) of section 47 of the internal  
7 revenue code with respect to a certified historic structure located  
8 within the state. Provided, however, the credit shall not exceed one  
9 hundred thousand dollars.

10 § 5. Subparagraph (A) of paragraph 1 of subdivision (y) of section  
11 1511 of the tax law, as amended by section 3 of part CCC of chapter 59  
12 of the laws of 2021, is amended to read as follows:

13 (A) For taxable years beginning on or after January first, two thou-  
14 sand ten and before January first, two thousand [~~twenty-five~~] **thirty**, a  
15 taxpayer shall be allowed a credit as hereinafter provided, against the  
16 tax imposed by this article, in an amount equal to one hundred percent  
17 of the amount of credit allowed the taxpayer with respect to a certified  
18 historic structure, and one hundred fifty percent of the amount of cred-  
19 it allowed the taxpayer with respect to a certified historic structure  
20 that is a small project, under internal revenue code section 47(c)(3),  
21 determined without regard to ratably allocating the credit over a five  
22 year period as required by subsection (a) of such section 47, with  
23 respect to a certified historic structure located within the state.  
24 Provided, however, the credit shall not exceed five million dollars. For  
25 taxable years beginning on or after January first, two thousand [~~twen-~~  
26 ~~ty-five~~] **thirty**, a taxpayer shall be allowed a credit as hereinafter  
27 provided, against the tax imposed by this article, in an amount equal to  
28 thirty percent of the amount of credit allowed the taxpayer with respect  
29 to a certified historic structure under internal revenue code section  
30 47(c)(3), determined without regard to ratably allocating the credit  
31 over a five year period as required by subsection (a) of such section 47  
32 with respect to a certified historic structure located within the state.  
33 Provided, however, the credit shall not exceed one hundred thousand  
34 dollars.

35 § 6. This act shall take effect immediately.

36 SUBPART C

37 Section 1. Paragraph 1 of subdivision (a) of section 28 of the tax  
38 law, as amended by section 1 of part AAA of chapter 59 of the laws of  
39 2019, is amended to read as follows:

40 (1) A taxpayer which is a qualified commercial production company, or  
41 which is a sole proprietor of a qualified commercial production company,  
42 and which is subject to tax under article nine-A or twenty-two of this  
43 chapter, shall be allowed a credit against such tax, pursuant to the  
44 provisions referenced in subdivision (c) of this section, to be computed  
45 as provided in this section. Provided, however, to be eligible for such  
46 credit, at least seventy-five percent of the production costs (excluding  
47 post production costs) paid or incurred directly and predominantly in  
48 the actual filming or recording of the qualified commercial must be  
49 costs incurred in New York state. The tax credit allowed pursuant to  
50 this section shall apply to taxable years beginning before January  
51 first, two thousand [~~twenty-four~~] **twenty-nine**.

52 § 2. Paragraph (c) of subdivision 23 of section 210-B of the tax law,  
53 as amended by chapter 518 of the laws of 2018, is amended to read as  
54 follows:

1 (c) Expiration of credit. The credit allowed under this subdivision  
2 shall not be applicable to taxable years beginning on or after January  
3 first, two thousand [~~twenty-four~~] twenty-nine.

4 § 3. Paragraph 1 of subsection (jj) of section 606 of the tax law, as  
5 amended by chapter 518 of the laws of 2018, is amended to read as  
6 follows:

7 (1) Allowance of credit. A taxpayer that is eligible pursuant to the  
8 provisions of section twenty-eight of this chapter shall be allowed a  
9 credit to be computed as provided in such section against the tax  
10 imposed by this article. The tax credit allowed pursuant to this section  
11 shall apply to taxable years beginning before January first, two thou-  
12 sand [~~twenty-four~~] twenty-nine.

13 § 4. This act shall take effect immediately.

14 SUBPART D

15 Section 1. Paragraph 1 of subdivision (a) of section 47 of the tax  
16 law, as added by section 1 of part I of chapter 59 of the laws of 2022,  
17 is amended to read as follows:

18 (1) Allowance of credit. A taxpayer that meets the eligibility  
19 requirements of subdivision (b) of this section and is subject to tax  
20 under article nine-A or twenty-two of this chapter may be eligible to  
21 claim a grade no. 6 heating oil conversion tax credit in the taxable  
22 year the conversion is complete. The credit shall be equal to fifty  
23 percent of the conversion costs for all of the taxpayer's buildings  
24 located at a facility regulated pursuant to section 19-0302 or title ten  
25 of article seventeen of the environmental conservation law, paid by such  
26 taxpayer on or after January first, two thousand twenty-two and before  
27 [~~July~~] January first, two thousand [~~twenty-three~~] twenty-four. The  
28 credit cannot exceed five hundred thousand dollars per facility.

29 § 2. This act shall take effect immediately.

30 SUBPART E

31 Section 1. Section 6 of subpart B of part PP of chapter 59 of the laws  
32 of 2021 amending the tax law and the state finance law relating to  
33 establishing the New York city musical and theatrical production tax  
34 credit and establishing the New York state council on the arts cultural  
35 program fund, as amended by section 7 of part F of chapter 59 of the  
36 laws of 2022, is amended to read as follows:

37 § 6. This act shall take effect immediately; provided however, that  
38 [~~section~~] sections one, two, three and four of this act shall apply to  
39 taxable years beginning on or after January 1, 2021, and before January  
40 1, [~~2024~~] 2026 and shall expire and be deemed repealed January 1, [~~2024~~]  
41 2026; provided further, however that the obligations under paragraph 3  
42 of subdivision (g) of section 24-c of the tax law, as added by section  
43 one of this act, shall remain in effect until December 31, [~~2025~~] 2027.

44 § 2. Paragraph 2 of subdivision (a) of section 24-c of the tax law, as  
45 amended by section 1 of part F of chapter 59 of the laws of 2022, is  
46 amended to read as follows:

47 (2) The amount of the credit shall be the product (or pro rata share  
48 of the product, in the case of a member of a partnership) of twenty-five  
49 percent and the sum of the qualified production expenditures paid for  
50 during the qualified New York city musical and theatrical production's  
51 credit period. Provided however that the amount of the credit cannot  
52 exceed three hundred fifty thousand dollars per qualified New York city



1 musical and theatrical production in a level two qualified New York city  
 2 production facility and three million dollars per qualified New York  
 3 city musical and theatrical production [~~for productions whose first~~  
 4 ~~performance is prior to January first, two thousand twenty-three. For~~  
 5 ~~productions whose first performance is on or after January first, two~~  
 6 ~~thousand twenty-three, such cap shall decrease to one million five~~  
 7 ~~hundred thousand dollars per qualified New York city musical and theat-~~  
 8 ~~rical production unless the New York city tourism economy has not suffi-~~  
 9 ~~ciently recovered, as determined by the department of economic develop-~~  
 10 ~~ment in consultation with the division of the budget. In determining~~  
 11 ~~whether the New York city tourism economy has sufficiently recovered,~~  
 12 ~~the department of economic development will perform an analysis of key~~  
 13 ~~New York city economic indicators which shall include, but not be limit-~~  
 14 ~~ed to, hotel occupancy rates and travel metrics. The department of~~  
 15 ~~economic development's analysis shall also be informed by the status of~~  
 16 ~~any remaining COVID-19 restrictions affecting New York city musical and~~  
 17 ~~theatrical productions] in a level one qualified New York city  
 18 production facility. In no event shall a qualified New York city  
 19 musical and theatrical production be eligible for more than one credit  
 20 under this program.~~

21 § 2-a. Paragraphs 1, 2, 3 and 4 of subdivision (b) of section 24-c of  
 22 the tax law, as added by section 1 of subpart B of part PP of chapter 59  
 23 of the laws of 2021, are amended to read as follows:

24 (1) "Qualified New York city musical and theatrical production" means  
 25 a for-profit live, dramatic stage presentation that, in its original or  
 26 adaptive version, is performed in a level one or level two qualified New  
 27 York city production facility, whether or not such production was  
 28 performed in a level one or level two qualified New York city production  
 29 facility prior to the state disaster emergency pursuant to executive  
 30 order two hundred two of two thousand twenty, provided, however, that  
 31 productions performing in a level two qualified New York city production  
 32 facility shall have a production budget greater than or equal to seven  
 33 hundred fifty thousand dollars and incur qualified production expendi-  
 34 tures greater than or equal to seven hundred fifty thousand dollars.

35 (2) "Qualified production expenditure" means any costs for tangible  
 36 property used and services performed directly and predominantly in the  
 37 production of a qualified musical and theatrical production within the  
 38 state of New York, including: (i) expenditures for design, construction  
 39 and operation, including sets, special and visual effects, costumes,  
 40 wardrobes, make-up, accessories and costs associated with sound, light-  
 41 ing, and staging; (ii) all salaries, wages, fees, and other compensation  
 42 including related benefits for services performed of which the total  
 43 allowable expense shall not exceed two hundred thousand dollars per  
 44 week; and (iii) technical and crew production costs, such as expendi-  
 45 tures for a level one or level two qualified New York city production  
 46 facility, or any part thereof, props, make-up, wardrobe, costumes,  
 47 equipment used for special and visual effects, sound recording, set  
 48 construction, and lighting. Qualified production expenditure does not  
 49 include any costs incurred prior to the credit period of a qualified New  
 50 York city musical and theatrical production company.

51 (3) (i) [~~Qualified~~] Level one qualified New York city production  
 52 facility" means a facility located within the [~~city of New York (i)~~] (A)  
 53 borough of Manhattan, bounded by and including forty-first street and  
 54 fifty-fourth street and between sixth avenue and ninth avenue in which  
 55 live theatrical productions are or are intended to be primarily  
 56 presented, [~~(ii)~~] (B) that contains at least one stage, a seating capac-



1 ity of five hundred or more seats, and dressing rooms, storage areas,  
2 and other ancillary amenities necessary for the qualified musical and  
3 theatrical production, and [~~(iii)~~] (C) for which receipts attributable  
4 to [~~ticket sales~~] live theatrical productions constitute seventy-five  
5 percent or more of gross receipts of the facility.

6 (ii) "Level two qualified New York city production facility" means a  
7 facility located within the borough of Manhattan (A) in which live  
8 theatrical productions are or are intended to be primarily presented,  
9 (B) that contains at least one stage, a seating capacity of one  
10 hundred or more seats, and dressing rooms, storage areas, and other  
11 ancillary amenities necessary for the qualified musical and theatrical  
12 production, and (C) for which receipts attributable to live theatrical  
13 productions constitute seventy-five percent or more of gross receipts of  
14 the facility.

15 (4) "Qualified New York city musical and theatrical production compa-  
16 ny" is a corporation, partnership, limited partnership, or other entity  
17 or individual which or who is principally engaged in the production of a  
18 qualified musical or theatrical production that is to be performed in a  
19 level one or level two qualified New York city production facility.

20 § 3. Subparagraph (i) of paragraph 5 of subdivision (b) of section  
21 24-c of the tax law, as amended by section 2 of part F of chapter 59 of  
22 the laws of 2022, is amended to read as follows:

23 (i) "The credit period of a qualified New York city musical and theat-  
24 rical production company" is the period starting on the production start  
25 date and ending on the earlier of the date the qualified musical and  
26 theatrical production has expended sufficient qualified production  
27 expenditures to reach its credit cap, September thirtieth, two thousand  
28 [~~twenty-three~~] twenty-five or the date the qualified musical and theat-  
29 rical production closes.

30 § 3-a. Subdivision (b) of section 24-c of the tax law is amended by  
31 adding a new paragraph 6 to read as follows:

32 (6) "Production budget" means all estimated costs to be incurred or  
33 paid before the first public appearance.

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

37 (c) The credit shall be allowed for the taxable year beginning on or  
38 after January first, two thousand twenty-one but before January first,  
39 two thousand [~~twenty-four~~] twenty-six. A qualified New York city  
40 musical and theatrical production company shall claim the credit in the  
41 year in which its credit period ends.

42 § 5. Paragraphs 1 and 2 of subdivision (f) of section 24-c of the tax  
43 law, paragraph 1 as amended by section 3 of part F of chapter 59 of the  
44 laws of 2022, and paragraph 2 as amended by section 4 of part F of chap-  
45 ter 59 of the laws of 2022, are amended to read as follows:

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

53 (2) The commissioner of economic development, after consulting with  
54 the commissioner, shall promulgate regulations to establish procedures  
55 for the allocation of tax credits as required by this section. Such  
56 rules and regulations shall include provisions describing the applica-

1 tion process, the due dates for such applications, the standards that  
2 will be used to evaluate the applications, the documentation that will  
3 be provided by applicants to substantiate to the department the amount  
4 of qualified production expenditures of such applicants, and such other  
5 provisions as deemed necessary and appropriate. Notwithstanding any  
6 other provisions to the contrary in the state administrative procedure  
7 act, such rules and regulations may be adopted on an emergency basis. In  
8 no event shall a qualified New York city musical and theatrical  
9 production submit an application for this program after June thirtieth,  
10 two thousand [~~twenty-three~~] twenty-five.

11 § 5-a. Subdivision (g) of section 24-c of the tax law, as amended by  
12 section 5 of part F of chapter 59 of the laws of 2022, is amended to  
13 read as follows:

14 (g) Any qualified New York city musical and theatrical production  
15 company that performs in a level one or level two qualified New York  
16 city production facility and applies to receive a credit under this  
17 section shall be required to: (1) participate in a New York state  
18 diversity and arts job training program; (2) create and implement a plan  
19 to ensure that their production is available and accessible for low-or  
20 no-cost to low income New Yorkers; and (3) contribute to the New York  
21 state council on the arts, cultural program fund an amount up to fifty  
22 percent of the total credits received if its production earns ongoing  
23 revenue prospectively after the end of the credit period that is at  
24 least equal to two hundred percent of its ongoing production costs, with  
25 such amount payable from twenty-five percent of net operating profits,  
26 such amounts payable on a monthly basis, up until such fifty percent of  
27 the total credit amount is reached. Any funds deposited pursuant to this  
28 subdivision may be used for arts and cultural grant programs of the New  
29 York state council on the arts as specified in subdivision five of  
30 section ninety-nine-11 of the state finance law.

31 § 6. This act shall take effect immediately; provided that the amend-  
32 ments to section 24-c of the tax law made by sections two, two-a, three,  
33 three-a, four, five and five-a of this act shall not affect the repeal  
34 of such section and shall be deemed repealed therewith.

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

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

47

## PART J

48 Section 1. This act enacts into law major components of legislation  
49 relating to taxation. Each component is wholly contained within a  
50 Subpart identified as Subparts A through C. The effective date for each  
51 particular provision contained within such Subpart is set forth in the  
52 last section of such Subpart. Any provision in any section contained  
53 within a Subpart, including the effective date of the Subpart, which  
54 makes reference to a section "of this act", when used in connection with

1 that particular component, shall be deemed to mean and refer to the  
2 corresponding section of the Subpart in which it is found. Section three  
3 of this act sets forth the general effective date of this act.

4 SUBPART A

5 Section 1. Paragraph (b) of subdivision 38 of section 210-B of the tax  
6 law, as amended by section 2 of part L of chapter 59 of the laws of  
7 2022, is amended to read as follows:

8 (b) Definitions. The term "accessible by individuals with disabili-  
9 ties" shall, for the purposes of this subdivision, refer to a vehicle  
10 that complies with federal regulations promulgated pursuant to the Amer-  
11 icans with Disabilities Act applicable to vans under twenty-two feet in  
12 length, by the federal Department of Transportation, in Code of Federal  
13 Regulations, title 49, parts 37 and 38[~~, and by the federal Architecture~~  
14 ~~and Transportation Barriers Compliance Board, in Code of Federal Regu-~~  
15 ~~lations, title 36, section 1192.23,~~] and the Federal Motor Vehicle Safe-  
16 ty Standards, Code of Federal Regulations, title 49, part [~~57~~] 571. The  
17 term "electric vehicle" shall, for the purposes of this subdivision,  
18 have the same meaning as in section sixty-six-s of the public service  
19 law.

20 § 2. Paragraph 2 of subsection (tt) of section 606 of the tax law, as  
21 amended by section 4 of part L of chapter 59 of the laws of 2022, is  
22 amended to read as follows:

23 (2) Definitions. The term "accessible by individuals with disabili-  
24 ties" shall, for the purposes of this subsection, refer to a vehicle  
25 that complies with federal regulations promulgated pursuant to the Amer-  
26 icans with Disabilities Act applicable to vans under twenty-two feet in  
27 length, by the federal Department of Transportation, in Code of Federal  
28 Regulations, title 49, parts 37 and 38[~~, and by the federal Architecture~~  
29 ~~and Transportation Barriers Compliance Board, in Code of Federal Regu-~~  
30 ~~lations, title 36, section 1192.23,~~] and the Federal Motor Vehicle Safe-  
31 ty Standards, Code of Federal Regulations, title [~~29~~] 49, part [~~57~~] 571.  
32 The term "electric vehicle" shall, for the purposes of this subsection,  
33 have the same meaning as in section sixty-six-s of the public service  
34 law.

35 § 3. This act shall take effect immediately and shall apply to taxable  
36 years beginning on or after January 1, 2023; provided the amendments to  
37 paragraph (2) of subsection (tt) of section 606 of the tax law made by  
38 section two of this act shall not affect the repeal of such subsection  
39 and shall be deemed repealed therewith.

40 SUBPART B

41 Section 1. Paragraph 2 of subdivision (b) of section 21 of the tax  
42 law, as amended by section 7 of part LL of chapter 58 of the laws of  
43 2022, is amended to read as follows:

44 (2) Site preparation costs. The term "site preparation costs" shall  
45 mean all amounts properly chargeable to a capital account, which are  
46 paid or incurred which are necessary to implement a site's investi-  
47 gation, remediation, or qualification for a certificate of completion,  
48 and shall include costs of: excavation; demolition; activities undertak-  
49 en under the oversight of the department of labor or in accordance with  
50 standards established by the department of health to remediate and  
51 dispose of regulated materials including asbestos, lead or polychlori-  
52 nated biphenyls; environmental consulting; engineering; legal costs;

1 transportation, disposal, treatment or containment of contaminated soil;  
2 remediation measures taken to address contaminated soil vapor; cover  
3 systems consistent with applicable regulations; physical support of  
4 excavation; dewatering and other work to facilitate or enable remedi-  
5 ation activities; sheeting, shoring, and other engineering controls  
6 required to prevent off-site migration of contamination from the quali-  
7 fied site or migrating onto the qualified site; and the costs of fenc-  
8 ing, temporary electric wiring, scaffolding, and security facilities  
9 until such time as the certificate of completion has been issued. Site  
10 preparation shall include all costs paid or incurred within sixty months  
11 after the last day of the tax year in which the certificate of  
12 completion is issued that are necessary for compliance with the certif-  
13 icate of completion or subsequent modifications thereof, or the remedial  
14 program defined in such certificate of completion including but not  
15 limited to institutional controls, engineering controls, an approved  
16 site management plan, and an environmental easement with respect to the  
17 qualified site; provided, however, with respect to any qualified site  
18 for which [~~the department of environmental conservation has issued a~~  
19 ~~notice to the taxpayer on or after July first, two thousand fifteen but~~  
20 ~~on or before June twenty-fourth, two thousand twenty-one that its~~  
21 ~~request for participation has been accepted under subdivision six of~~  
22 ~~section 27-1407 of the environmental conservation law] a certificate of  
23 completion was issued on or after July first, two thousand fifteen but  
24 on or before June twenty-fourth, two thousand twenty-one, site prepara-  
25 tion shall include all costs paid or incurred within eighty-four months  
26 after the last day of the tax year in which the certificate of  
27 completion is issued that are necessary for compliance with the certif-  
28 icate of completion or subsequent modifications thereof, or the remedial  
29 program defined in such certificate of completion including but not  
30 limited to institutional controls, engineering controls, an approved  
31 site management plan, and an environmental easement with respect to the  
32 qualified site, provided, however, with respect to any qualified site  
33 located in cities with a population greater than two hundred five thou-  
34 sand and less than two hundred fifteen thousand in counties with a popu-  
35 lation greater than one million but less than one million ten thousand  
36 based on the latest federal decennial census for which the department of  
37 environmental conservation has issued a certificate of completion to the  
38 taxpayer on or after January first, two thousand seventeen and before  
39 December thirty-first, two thousand seventeen, this credit component  
40 shall be allowed for up to one hundred eighty months after the date of  
41 the issuance of such certificate of completion. Site preparation cost  
42 shall not include the costs of foundation systems that exceed the cover  
43 system requirements in the regulations applicable to the qualified site.~~

44 § 2. Subparagraph (i) of paragraph 3 of subdivision (a) of section 21  
45 of the tax law, as amended by section 9 of part LL of chapter 58 of the  
46 laws of 2022, is amended to read as follows:

47 (i) The tangible property credit component shall be equal to the  
48 applicable percentage of the cost or other basis for federal income tax  
49 purposes of tangible personal property and other tangible property,  
50 including buildings and structural components of buildings, which  
51 constitute qualified tangible property and may include any related party  
52 service fee paid; provided that in determining the cost or other basis  
53 of such property, the taxpayer shall exclude the acquisition cost of any  
54 item of property with respect to which a credit under this section was  
55 allowable to another taxpayer; and provided further that for the  
56 purposes of this section, starting with taxable year two thousand twen-

1 ty-two, on sites that comply with the track one remediation standards  
2 promulgated pursuant to subdivision four of section 27-1415 of the envi-  
3 ronmental conservation law, stadiums, baseball parks, basketball courts  
4 and other athletic facilities shall be considered buildings, and that  
5 components of stadiums, baseball parks, basketball courts, and other  
6 athletic facilities constructed on such sites, including sports field  
7 turf, site lighting, sidewalks, access and entry ways, and other  
8 improvements added to land, shall be considered structural components of  
9 buildings under the internal revenue code, and shall be included in the  
10 definition of tangible property for the purposes of this section. A  
11 related party service fee shall be allowed only in the calculation of  
12 the tangible property credit component and shall not be allowed in the  
13 calculation of the site preparation credit component or the on-site  
14 groundwater remediation credit component. The portion of the tangible  
15 property credit component which is attributable to related party service  
16 fees shall be allowed only as follows: (A) in the taxable year in which  
17 the qualified tangible property described in subparagraph (iii) of this  
18 paragraph is placed in service, for that portion of the related party  
19 service fees which have been earned and actually paid to the related  
20 party on or before the last day of such taxable year; and (B) with  
21 respect to any other taxable year for which the tangible property credit  
22 component may be claimed under this subparagraph and in which the amount  
23 of any additional related party service fees are actually paid by the  
24 taxpayer to the related party, the tangible property credit component  
25 for such amount shall be allowed in such taxable year. The credit compo-  
26 nent amount so determined shall be allowed for the taxable year in which  
27 such qualified tangible property is first placed in service on a quali-  
28 fied site with respect to which a certificate of completion has been  
29 issued to the taxpayer, or for the taxable year in which the certificate  
30 of completion is issued if the qualified tangible property is placed in  
31 service prior to the issuance of the certificate of completion. This  
32 credit component shall only be allowed for up to one hundred twenty  
33 months after the date of the issuance of such certificate of completion,  
34 provided, however, that for qualified sites to which a certificate of  
35 completion is issued on or after March twentieth, two thousand ten, but  
36 prior to January first, two thousand twelve, the commissioner may extend  
37 the credit component for up to one hundred forty-four months after the  
38 date of such issuance, if the commissioner, in consultation with the  
39 commissioner of environmental conservation, determines that the require-  
40 ments for the credit would have been met if not for the restrictions  
41 related to the state disaster emergency declared pursuant to executive  
42 order 202 of 2020 or any extension thereof or subsequent executive order  
43 issued in response to the novel coronavirus (COVID-19) pandemic;  
44 provided, however, with respect to any qualified site for which the  
45 department of environmental conservation has issued a certificate of  
46 completion to the taxpayer on or after March twentieth, two thousand ten  
47 and before December thirty-first, two thousand fifteen, this credit  
48 component shall be allowed for up to one hundred eighty months after the  
49 date of the issuance of such certificate of completion; and provided  
50 further, with respect to any qualified site located in cities with a  
51 population greater than two hundred five thousand and less than two  
52 hundred fifteen thousand in counties with a population greater than one  
53 million but less than one million ten thousand based on the latest  
54 federal decennial census for which the department of environmental  
55 conservation has issued a certificate of completion to the taxpayer on  
56 or after January first, two thousand seventeen and before December thir-



1 ty-first, two thousand seventeen, this credit component shall be allowed  
2 for up to one hundred eighty months after the date of the issuance of  
3 such certificate of completion.

4 § 3. Paragraph 2 of subdivision (a) of section 21 of the tax law, as  
5 amended by section 4 of part LL of chapter 58 of the laws of 2022, is  
6 amended to read as follows:

7 (2) Site preparation credit component. The site preparation credit  
8 component shall be equal to the applicable percentage of the site prepa-  
9 ration costs paid or incurred by the taxpayer with respect to a quali-  
10 fied site. The credit component amount so determined with respect to a  
11 site's qualification for a certificate of completion shall be allowed  
12 for the taxable year in which the effective date of the certificate of  
13 completion occurs. The credit component amount determined other than  
14 with respect to such qualification shall be allowed for the taxable year  
15 in which the improvement to which the applicable costs apply is placed  
16 in service for up to five taxable years after the issuance of such  
17 certificate of completion; provided, however, that for any qualified  
18 site to which a certificate of completion is issued on or after July  
19 first, two thousand fifteen but on or before June twenty-fourth, two  
20 thousand twenty-one, the site preparation credit component for such  
21 costs shall be allowed for up to seven taxable years after the issuance  
22 of such certificate of completion; and provided further, however, that  
23 for any qualified site located in cities with a population greater than  
24 two hundred five thousand and less than two hundred fifteen thousand in  
25 counties with a population greater than one million but less than one  
26 million ten thousand based on the latest federal decennial census for  
27 which the department of environmental conservation has issued a certif-  
28 icate of completion to the taxpayer on or after January first, two thou-  
29 sand seventeen and before December thirty-first, two thousand seventeen,  
30 the site preparation credit component for such costs shall be allowed  
31 for up to fifteen taxable years after the issuance of such certificate  
32 of completion.

33 § 4. This act shall take effect immediately and shall be deemed to  
34 have been in effect on and after April 9, 2022.

35 SUBPART C

36 Section 1. Paragraphs 1, 2 and 3 of subsection (h) of section 860 of  
37 the tax law, paragraph 1 as added by section 1 of part C of chapter 59  
38 of the laws of 2021, and paragraph 2 as amended and paragraph 3 as added  
39 by section 2 of subpart A of part MM of chapter 59 of the laws of 2022,  
40 are amended to read as follows:

41 (1) In the case of an electing partnership, the sum of (i) all items  
42 of income, gain, loss, or deduction derived from or connected with New  
43 York sources to the extent they are included in the taxable income of a  
44 nonresident partner subject to tax under article twenty-two, under para-  
45 graph one of subsection (a) of section six hundred thirty-two of this  
46 chapter; ~~and~~ (ii) all items of income, gain, loss, or deduction to the  
47 extent they are included in the taxable income of a resident partner  
48 subject to tax under article twenty-two of this chapter; and (iii) all  
49 pass-through entity taxes including taxes paid under this article to New  
50 York, taxes paid under article twenty-four-B of this chapter to the city  
51 of New York, and taxes paid to other jurisdictions that are substantial-  
52 ly similar to the taxes paid under this article, to the extent that, for  
53 federal income tax purposes, the taxes are paid and deducted in the  
54 taxable year, and are included in the taxable income of the partners

1 subject to tax under article twenty-two of this chapter for the taxable  
2 year.

3 (2) In the case of an electing standard S corporation, the sum of (i)  
4 all items of income, gain, loss, or deduction derived from or connected  
5 with New York sources to the extent they would be included under para-  
6 graph two of subsection (a) of section six hundred thirty-two of this  
7 chapter in the taxable income of a shareholder subject to tax under  
8 article twenty-two of this chapter; and (ii) all pass-through entity  
9 taxes including taxes paid under this article to New York, taxes paid  
10 under article twenty-four-B of this chapter to the city of New York, and  
11 taxes paid to other jurisdictions that are substantially similar to the  
12 taxes paid under this article, to the extent that, for federal income  
13 tax purposes, the taxes are paid and deducted in the taxable year, and  
14 are included in the taxable income of the shareholders subject to tax  
15 under article twenty-two of this chapter for the taxable year.

16 (3) In the case of an electing resident S corporation, the sum of (i)  
17 all items of income, gain, loss, or deduction to the extent they are  
18 included in the taxable income of a shareholder subject to tax under  
19 article twenty-two of this chapter; and (ii) all pass-through entity  
20 taxes including taxes paid under this article to New York, taxes paid  
21 under article twenty-four-B of this chapter to the city of New York, and  
22 taxes paid to other jurisdictions that are substantially similar to the  
23 taxes paid under this article, to the extent that, for federal income  
24 tax purposes, the taxes are paid and deducted in the taxable year, and  
25 are included in the taxable income of the shareholders subject to tax  
26 under article twenty-two of this chapter for the taxable year.

27 § 2. Subsection (c) of section 861 of the tax law, as amended by  
28 section 3 of subpart A of part MM of chapter 59 of the laws of 2022, is  
29 amended to read as follows:

30 (c) The annual election must be made [~~by~~] on or before the due date of  
31 the first estimated payment under section eight hundred sixty-four of  
32 this article and will take effect for the current taxable year. Only one  
33 election may be made during each calendar year. An election made under  
34 this section is irrevocable [~~as of~~] after the due date.

35 § 3. Paragraphs 1 and 2 of subsection (b) of section 867 of the tax  
36 law, as added by section 1 of subpart B of part MM of chapter 59 of the  
37 laws of 2022, are amended to read as follows:

38 (1) In the case of an electing city partnership, the sum of (i) all  
39 items of income, gain, loss, or deduction to the extent they are  
40 included in the city taxable income of a partner or member of the elect-  
41 ing city partnership who is a city taxpayer; and (ii) all pass-through  
42 entity taxes including taxes paid under article twenty-four-A of this  
43 chapter to New York, taxes paid under this article to the city of New  
44 York, and taxes paid to other jurisdictions that are substantially simi-  
45 lar to taxes paid under article twenty-four-A of this chapter, to the  
46 extent that, for federal income tax purposes, the taxes were paid and  
47 deducted in the taxable year, and they are included in the taxable  
48 income of the partners subject to tax under article twenty-two of this  
49 chapter for the taxable year.

50 (2) In the case of an electing city resident S corporation, the sum of  
51 (i) all items of income, gain, loss, or deduction to the extent they  
52 would be included in the city taxable income of a shareholder of the  
53 electing city resident S corporation who is a city taxpayer; and (ii)  
54 all pass-through entity taxes including taxes paid under article twen-  
55 ty-four-A of this chapter to New York, taxes paid under this article to  
56 the city of New York, and taxes paid to other jurisdictions that are

1 substantially similar to taxes paid under article twenty-four-A of this  
2 chapter, to the extent that, for federal income tax purposes, the taxes  
3 were paid and deducted in the taxable year, and they are included in the  
4 taxable income of the shareholders subject to tax under article twenty-  
5 two of this chapter for the taxable year.

6 § 4. Subsection (e) of section 867 of the tax law, as added by section  
7 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended  
8 to read as follows:

9 (e) City taxpayer. A city taxpayer means [~~a city resident individual~~  
10 ~~subject to the tax imposed pursuant to the authority of article thirty~~  
11 ~~of this chapter~~]:

12 (1) a city resident individual, as defined in subsection (a) of  
13 section thirteen hundred five of this chapter; and

14 (2) a city resident trust or estate, as defined in subsection (c) of  
15 section thirteen hundred five of this chapter.

16 § 5. Subsection (i) of section 867 of the tax law, as added by section  
17 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended  
18 to read as follows:

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

29 § 6. Subsection (j) of section 867 of the tax law, as added by section  
30 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended  
31 to read as follows:

32 (j) Eligible city resident S corporation. Eligible city resident S  
33 corporation means any New York S corporation as defined pursuant to  
34 subdivision one-A of section two hundred eight of this chapter that is  
35 subject to tax under section two hundred nine of this chapter that has  
36 only city [~~resident individual~~] taxpayer shareholders. An eligible city  
37 resident S corporation includes any entity, including a limited liabil-  
38 ity company, treated as an S corporation for federal income tax purposes  
39 that otherwise meets the requirements of this subsection.

40 § 7. Subsection (c) of section 868 of the tax law, as added by section  
41 1 of subpart B of part MM of chapter 59 of the laws of 2022, is amended  
42 to read as follows:

43 (c) The annual election to be taxed pursuant to this article must be  
44 made [~~by~~] on or before the due date of the first estimated payment under  
45 section eight hundred sixty-four of this chapter and will take effect  
46 for the current taxable year. Only one election to be taxed pursuant to  
47 this article may be made during each calendar year. An election made  
48 under this section is irrevocable [~~as of~~] after such due date. To the  
49 extent an election made under section eight hundred sixty-one of this  
50 chapter is revoked or otherwise invalidated an election made under this  
51 section is automatically invalidated.

52 § 8. This act shall take effect immediately, provided, however, that:  
53 (i) sections one and two of this act shall be deemed to have been in  
54 full force and effect on and after the effective date of part C of chap-  
55 ter 59 of the laws of 2021; (ii) sections three and seven of this act  
56 shall be deemed to have been in full force and effect on and after the

1 effective date of section 1 of subpart B of part MM of chapter 59 of the  
2 laws of 2022; and (iii) sections four, five and six of this act shall  
3 apply to taxable years beginning on or after January 1, 2023.

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

13 § 3. This act shall take effect immediately; provided, however, that  
14 the applicable effective dates of Subparts A through C of this act shall  
15 be as specifically set forth in the last section of such Subparts.

16 PART K

17 Section 1. Paragraphs (a) and (d) of subdivision 1 of section 467 of  
18 the real property tax law, as amended by section 1 of part B of chapter  
19 686 of the laws of 2022, are amended to read as follows:

20 (a) Real property owned by one or more persons, each of whom is  
21 sixty-five years of age or over, or real property owned by [~~husband and~~  
22 ~~wife~~] a married couple or by siblings, one of whom is sixty-five years  
23 of age or over, or real property owned by one or more persons, some of  
24 whom qualify under this section and the others of whom qualify under  
25 section four hundred fifty-nine-c of this title, shall be exempt from  
26 payments in lieu of taxes (PILOT) to the battery park city authority or  
27 from taxation by any municipal corporation in which located to the  
28 extent of fifty per centum of the assessed valuation thereof, provided  
29 the governing board of such municipality, after public hearing, adopts a  
30 local law, ordinance or resolution providing therefor. For the purposes  
31 of this section, [~~sibling shall mean a brother or a sister, whether~~  
32 ~~related~~] the term "sibling" shall include persons whose relationship as  
33 siblings has been established through either half blood, whole blood or  
34 adoption.

35 (d) The real property tax or PILOT exemption on real property owned by  
36 [~~husband and wife~~] a married couple, one of whom is sixty-five years of  
37 age or over, once granted, shall not be rescinded by any municipal  
38 corporation solely because of the death of the older spouse so long as  
39 the surviving spouse is at least sixty-two years of age.

40 § 2. Subdivision 3 of section 467 of the real property tax law, as  
41 amended by section 1 of part B of chapter 686 of the laws of 2022, para-  
42 graph (a) as separately amended by chapter 488 of the laws of 2022, is  
43 amended to read as follows:

44 3. No exemption shall be granted:

45 (a)(i) if the income of the owner or the combined income of the owners  
46 of the property for the applicable income tax year [~~immediately preced-~~  
47 ~~ing the date of making application for exemption~~] exceeds the sum of  
48 three thousand dollars, or such other sum not less than three thousand  
49 dollars nor more than [~~twenty six thousand dollars beginning July first,~~  
50 ~~two thousand six, twenty seven thousand dollars beginning July first,~~  
51 ~~two thousand seven, twenty eight thousand dollars beginning July first,~~  
52 ~~two thousand eight, twenty nine thousand dollars beginning July first,~~  
53 ~~two thousand nine, fifty thousand dollars beginning July first, two~~  
54 ~~thousand twenty two, and in a city with a population of one million or~~

1 ~~more fifty thousand dollars beginning July first, two thousand seven-~~  
2 ~~teen,~~ fifty thousand dollars, as may be provided by the local law,  
3 ordinance or resolution adopted pursuant to this section.

4 (ii) Where the taxable status date is on or before April fourteenth,  
5 the applicable income tax year shall ~~[mean]~~ be the ~~[twelve-month period~~  
6 ~~for which the owner or owners filed a federal personal income tax return~~  
7 ~~for the year before the income tax year immediately preceding the date~~  
8 ~~of application and where]~~ second most recent calendar year. Where the  
9 taxable status date is on or after April fifteenth, the applicable  
10 income tax year shall ~~[mean]~~ be the ~~[twelve-month period for which the~~  
11 ~~owner or owners filed a federal personal income tax return for the~~  
12 ~~income tax year immediately preceding the date of application]~~ most  
13 recent calendar year. Provided, however, that for taxpayers whose income  
14 tax returns are filed on the basis of a fiscal year rather than a calen-  
15 dar year, the applicable income tax year shall be the most recent fiscal  
16 year for which an income tax return has been filed.

17 (iii) Where title is vested in ~~[either the husband or the wife, their]~~  
18 a married person, the combined income of such person and such person's  
19 spouse may not exceed such sum, except where ~~[the husband or wife, or~~  
20 ~~ex-husband or ex-wife]~~ one spouse or ex-spouse is absent from the prop-  
21 erty as provided in subparagraph (ii) of paragraph (d) of this subdivi-  
22 sion, then only the income of the spouse or ex-spouse residing on the  
23 property shall be considered and may not exceed such sum. ~~[Such income~~  
24 ~~shall include social security and retirement benefits, interest, divi-~~  
25 ~~dends, total gain from the sale or exchange of a capital asset which may~~  
26 ~~be offset by a loss from the sale or exchange of a capital asset in the~~  
27 ~~same income tax year, net rental income, salary or earnings, and net~~  
28 ~~income from self-employment, but shall not include a return of capital,~~  
29 ~~gifts, inheritances, payments made to individuals because of their~~  
30 ~~status as victims of Nazi persecution, as defined in P.L. 103-286 or~~  
31 ~~monies earned through employment in the federal foster grandparent~~  
32 ~~program and any such income shall be offset by all medical and~~  
33 ~~prescription drug expenses actually paid which were not reimbursed or~~  
34 ~~paid for by insurance, if the governing board of a municipality, after a~~  
35 ~~public hearing, adopts a local law, ordinance or resolution providing~~  
36 ~~therefor. In addition, an exchange of an annuity for an annuity~~  
37 ~~contract, which resulted in non-taxable gain, as determined in section~~  
38 ~~one thousand thirty five of the internal revenue code, shall be excluded~~  
39 ~~from such income. Provided that such exclusion shall be based on satis-~~  
40 ~~factory proof that such an exchange was solely an exchange of an annuity~~  
41 ~~for an annuity contract that resulted in a non-taxable transfer deter-~~  
42 ~~mined by such section of the internal revenue code. Furthermore, such~~  
43 ~~income shall not include the proceeds of a reverse mortgage, as author-~~  
44 ~~ized by section six-h of the banking law, and sections two hundred~~  
45 ~~eighty and two hundred eighty-a of the real property law; provided,~~  
46 ~~however, that monies used to repay a reverse mortgage may not be~~  
47 ~~deducted from income, and provided additionally that any interest or~~  
48 ~~dividends realized from the investment of reverse mortgage proceeds~~  
49 ~~shall be considered income. The provisions of this paragraph notwith-~~  
50 ~~standing, such income shall not include veterans disability compen-~~  
51 ~~sation, as defined in Title 38 of the United States Code provided the~~  
52 ~~governing board of such municipality, after public hearing, adopts a~~  
53 ~~local law, ordinance or resolution providing therefor. In computing net~~  
54 ~~rental income and net income from self-employment no depreciation~~  
55 ~~deduction shall be allowed for the exhaustion, wear and tear of real or~~  
56 ~~personal property held for the production of income,]~~



1 (iv) The term "income" as used herein shall mean the "adjusted gross  
2 income" for federal income tax purposes as reported on the applicant's  
3 federal or state income tax return for the applicable income tax year,  
4 subject to any subsequent amendments or revisions, plus any social secu-  
5 rity benefits not included in such federal adjusted gross income;  
6 provided that if no such return was filed for the applicable income tax  
7 year, the applicant's income shall be determined based on the amounts  
8 that would have so been reported if such a return had been filed; and  
9 provided further, that when determining income for purposes of this  
10 section, the following conditions shall be applicable:

11 (1) the governing body of a municipal corporation, after a public  
12 hearing, may adopt a local law, ordinance or resolution providing that  
13 any social security benefits that were not included in the applicant's  
14 federal adjusted gross income shall not be considered income;

15 (2) distributions received from an individual retirement account or  
16 individual retirement annuity that were included in the applicant's  
17 federal adjusted gross income shall not be considered income unless the  
18 governing body of a municipal corporation, after a public hearing,  
19 adopts a local law, ordinance or resolution providing otherwise;

20 (3) the applicant's income shall be offset by all medical and  
21 prescription drug expenses actually paid that were not reimbursed or  
22 paid for by insurance, if the governing board of a municipal corpo-  
23 ration, after a public hearing, adopts a local law, ordinance or resol-  
24 ution providing therefor;

25 (4) any tax-exempt interest or dividends that were excluded from the  
26 applicant's federal adjusted gross income shall be considered income;  
27 and

28 (5) any losses that were applied to reduce the applicant's federal  
29 adjusted gross income shall be subject to the following limitations:

30 (A) the net amount of loss reported on federal Schedule C, D, E, or F  
31 shall not exceed three thousand dollars per schedule,

32 (B) the net amount of any other separate category of loss shall not  
33 exceed three thousand dollars, and

34 (C) the aggregate amount of all losses shall not exceed fifteen thou-  
35 sand dollars;

36 (b) unless the owner shall have held an exemption under this section  
37 for [~~his~~] the owner's previous residence or unless the title of the  
38 property shall have been vested in the owner or one of the owners of the  
39 property for at least twelve consecutive months prior to the date of  
40 making application for exemption, provided, however, that in the event  
41 of the death of [~~either a husband or wife~~] a married person in whose  
42 name title of the property shall have been vested at the time of death  
43 and then becomes vested solely in [~~the survivor~~] such person's surviving  
44 spouse by virtue of devise by or descent from the deceased [~~husband or~~  
45 ~~wife~~] spouse, the time of ownership of the property by the deceased  
46 [~~husband or wife~~] spouse shall be deemed also a time of ownership by the  
47 [~~survivor~~] surviving spouse and such ownership shall be deemed contin-  
48 uous for the purposes of computing such period of twelve consecutive  
49 months. In the event of a transfer by [~~either a husband or wife to the~~  
50 ~~other~~] a married person to such person's spouse of all or part of the  
51 title to the property, the time of ownership of the property by the  
52 transferor spouse shall be deemed also a time of ownership by the trans-  
53 feree spouse and such ownership shall be deemed continuous for the  
54 purposes of computing such period of twelve consecutive months. Where  
55 property of the owner or owners has been acquired to replace property  
56 formerly owned by such owner or owners and taken by eminent domain or

1 other involuntary proceeding, except a tax sale, the period of ownership  
2 of the former property shall be combined with the period of ownership of  
3 the property for which application is made for exemption and such peri-  
4 ods of ownership shall be deemed to be consecutive for purposes of this  
5 section. Where a residence is sold and replaced with another within one  
6 year and both residences are within the state, the period of ownership  
7 of both properties shall be deemed consecutive for purposes of the  
8 exemption from taxation by a municipality within the state granting such  
9 exemption. Where the owner or owners transfer title to property which as  
10 of the date of transfer was exempt from taxation or PILOT under the  
11 provisions of this section, the reacquisition of title by such owner or  
12 owners within nine months of the date of transfer shall be deemed to  
13 satisfy the requirement of this paragraph that the title of the property  
14 shall have been vested in the owner or one of the owners for such period  
15 of twelve consecutive months. Where, upon or subsequent to the death of  
16 an owner or owners, title to property which as of the date of such death  
17 was exempt from taxation or PILOT under such provisions, becomes vested,  
18 by virtue of devise or descent from the deceased owner or owners, or by  
19 transfer by any other means within nine months after such death, solely  
20 in a person or persons who, at the time of such death, maintained such  
21 property as a primary residence, the requirement of this paragraph that  
22 the title of the property shall have been vested in the owner or one of  
23 the owners for such period of twelve consecutive months shall be deemed  
24 satisfied;

25 (c) unless the property is used exclusively for residential purposes,  
26 provided, however, that in the event any portion of such property is not  
27 so used exclusively for residential purposes but is used for other  
28 purposes, such portion shall be subject to taxation or PILOT and the  
29 remaining portion only shall be entitled to the exemption provided by  
30 this section;

31 (d) unless the real property is the legal residence of and is occupied  
32 in whole or in part by the owner or by all of the owners of the proper-  
33 ty: except where, (i) an owner is absent from the residence while  
34 receiving health-related care as an inpatient of a residential health  
35 care facility, as defined in section twenty-eight hundred one of the  
36 public health law, provided that any income accruing to that person  
37 shall only be income only to the extent that it exceeds the amount paid  
38 by such owner, spouse, or co-owner for care in the facility, and  
39 provided further, that during such confinement such property is not  
40 occupied by other than the spouse or co-owner of such owner; or, (ii)  
41 the real property is owned by a [~~husband and/or wife, or an ex-husband~~  
42 ~~and/or an ex-wife, and either~~] married person or a married couple, or by  
43 a formerly married person or a formerly married couple, and one spouse  
44 or ex-spouse is absent from the residence due to divorce, legal sepa-  
45 ration or abandonment and all other provisions of this section are met  
46 provided that where an exemption was previously granted when both  
47 resided on the property, then the person remaining on the real property  
48 shall be sixty-two years of age or over.

49 § 3. Paragraph (a) of subdivision 3-a of section 467 of the real prop-  
50 erty tax law, as amended by section 1 of part B of chapter 686 of the  
51 laws of 2022, is amended to read as follows:

52 (a) For the purposes of this section, title to that portion of real  
53 property owned by a cooperative apartment corporation in which a  
54 tenant-stockholder of such corporation resides and which is represented  
55 by [~~his~~] the tenant-stockholder's share or shares of stock in such  
56 corporation as determined by its or their proportional relationship to

1 the total outstanding stock of the corporation, including that owned by  
2 the corporation, shall be deemed to be vested in such tenant-stockhold-  
3 er.

4 § 4. Subdivisions 5 and 5-a of section 467 of the real property tax  
5 law, as amended by section 1 of part B of chapter 686 of the laws of  
6 2022, are amended to read as follows:

7 5. Application for such exemption must be made by the owner, or all of  
8 the owners of the property, on forms prescribed by the commissioner to  
9 be furnished by the appropriate assessing authority and shall furnish  
10 the information and be executed in the manner required or prescribed in  
11 such forms, and shall be filed in such assessor's office on or before  
12 the appropriate taxable status date. Notwithstanding any other provision  
13 of law, at the option of the municipal corporation, any person otherwise  
14 qualifying under this section shall not be denied the exemption under  
15 this section if [~~he~~] such person becomes sixty-five years of age after  
16 the appropriate taxable status date and on or before December thirty-  
17 first of the same year.

18 5-a. Any local law or ordinance adopted pursuant to paragraph (a) of  
19 subdivision one of this section may be amended, or a local law or ordi-  
20 nance may be adopted to provide, notwithstanding subdivision five of  
21 this section, that an application for such exemption may be filed with  
22 the assessor after the appropriate taxable status date but not later  
23 than the last date on which a petition with respect to complaints of  
24 assessment may be filed, where failure to file a timely application  
25 resulted from: (a) a death of the applicant's spouse, child, parent[~~,  
26 brother or sister~~] or sibling; or (b) an illness of the applicant or of  
27 the applicant's spouse, child, parent[~~,  
28 brother or sister~~] or sibling,  
28 which actually prevents the applicant from filing on a timely basis, as  
29 certified by a licensed physician. The assessor shall approve or deny  
30 such application as if it had been filed on or before the taxable status  
31 date.

32 § 5. Subdivision 6 of section 467 of the real property tax law, as  
33 amended by section 1 of part B of chapter 686 of the laws of 2022, is  
34 amended to read as follows:

35 6. (a) At least sixty days prior to the appropriate taxable status  
36 date, the assessing authority shall mail to each person who was granted  
37 exemption pursuant to this section on the latest completed assessment  
38 roll an application form and a notice that such application must be  
39 filed on or before the taxable status date and be approved in order for  
40 the exemption to be granted. The assessing authority shall, within three  
41 days of the completion and filing of the tentative assessment roll,  
42 notify by mail any applicant [~~who has included with his~~] whose applica-  
43 tion includes at least one self-addressed, pre-paid envelope, of the  
44 approval or denial of the application; provided, however, that the  
45 assessing authority shall, upon the receipt and filing of the applica-  
46 tion, send by mail notification of receipt to any applicant who has  
47 included two of such envelopes with the application. Where an applicant  
48 is entitled to a notice of denial pursuant to this subdivision, such  
49 notice shall be on a form prescribed by the commissioner and shall state  
50 the reasons for such denial and shall further state that the applicant  
51 may have such determination reviewed in the manner provided by law.  
52 Failure to mail any such application form or notices or the failure of  
53 such person to receive any of the same shall not prevent the levy,  
54 collection and enforcement of the payment of the taxes or PILOT on prop-  
55 erty owned by such person.

1 (b) Except in cities of one million or more, any person who has been  
2 granted exemption pursuant to this section on five (5) consecutive  
3 completed assessment rolls, including any years when the exemption was  
4 granted to a property owned by [~~a husband and/or wife~~] a married person  
5 or a married couple while both spouses resided in such property, shall  
6 not be subject to the requirements set forth in paragraph (a) of this  
7 subdivision provided the governing board of the municipality in which  
8 said property is situated after public hearing adopts a local law, ordi-  
9 nance or resolution providing therefor however said person shall be  
10 mailed an application form and a notice [~~informing him of his~~] setting  
11 forth such person's rights. Such exemption shall be automatically grant-  
12 ed on each subsequent assessment roll. Provided, however, that when tax  
13 payment is made by such person a sworn affidavit must be included with  
14 such payment which shall state that such person continues to be eligible  
15 for such exemption. Such affidavit shall be on a form prescribed by the  
16 commissioner. If such affidavit is not included with the tax payment,  
17 the collecting officer shall proceed pursuant to section five hundred  
18 fifty-one-a of this chapter.

19 (c) In cities of one million or more, any person who has been granted  
20 exemption pursuant to this section shall file the completed application  
21 with the appropriate assessing authority every twenty-four months from  
22 the date such exemption was granted without the necessity of having been  
23 granted exemption pursuant to this section on five (5) consecutive  
24 completed assessment rolls including any years when the exemption was  
25 granted to a property owned by [~~a husband and/or wife~~] a married person  
26 or a married couple while both spouses resided in such property.

27 § 6. Subdivision 8-a of section 467 of the real property tax law, as  
28 amended by section 1 of part B of chapter 686 of the laws of 2022, is  
29 amended to read as follows:

30 8-a. Notwithstanding any provision of law to the contrary, the local  
31 governing body of a municipal corporation that is authorized to adopt a  
32 local law pursuant to subdivision eight of this section is further  
33 authorized to adopt a local law providing that where a renewal applica-  
34 tion for the exemption authorized by this section has not been filed on  
35 or before the taxable status date, and the owner believes that good  
36 cause existed for the failure to file the renewal application by that  
37 date, the owner may, no later than the last day for paying taxes or  
38 PILOT without incurring interest or penalty, submit a written request to  
39 the assessor asking [~~him or her~~] the assessor to extend the filing dead-  
40 line and grant the exemption. Such request shall contain an explanation  
41 of why the deadline was missed, and shall be accompanied by a renewal  
42 application, reflecting the facts and circumstances as they existed on  
43 the taxable status date. The assessor may extend the filing deadline and  
44 grant the exemption if [~~he or she~~] the assessor is satisfied that (i)  
45 good cause existed for the failure to file the renewal application by  
46 the taxable status date, and that (ii) the applicant is otherwise enti-  
47 tled to the exemption. The assessor shall make a determination and mail  
48 notice [~~of his or her determination~~] thereof to the owner. If the deter-  
49 mination states that the assessor has granted the exemption, [~~he or she~~]  
50 the assessor shall thereupon be authorized and directed to correct the  
51 assessment roll accordingly, or, if another person has custody or  
52 control of the assessment roll, to direct that person to make the appro-  
53 priate corrections. If the correction is not made before taxes are  
54 levied, the failure to take the exemption into account in the computa-  
55 tion of the tax shall be deemed a "clerical error" for purposes of title

1 three of article five of this chapter, and shall be corrected according-  
2 ly.

3 § 7. Paragraph (a) of subdivision 1 and paragraph (a) of subdivision 2  
4 of section 459-c of the real property tax law, as amended by section 2  
5 of part B of chapter 686 of the laws of 2022, are amended to read as  
6 follows:

7 (a) Real property owned by one or more persons with disabilities, or  
8 real property owned by a [~~husband, wife, or both~~] married person or a  
9 married couple, or by siblings, at least one of whom has a disability,  
10 or real property owned by one or more persons, some of whom qualify  
11 under this section and the others of whom qualify under section four  
12 hundred sixty-seven of this title, and whose income, as hereafter  
13 defined, is limited by reason of such disability, shall be exempt from  
14 payments in lieu of taxes (PILOT) to the battery city park authority or  
15 from taxation by any municipal corporation in which located to the  
16 extent of fifty per centum of the assessed valuation thereof as herein-  
17 after provided. After a public hearing, the governing board of a county,  
18 city, town or village may adopt a local law and a school district, other  
19 than a school district subject to article fifty-two of the education  
20 law, may adopt a resolution to grant the exemption authorized pursuant  
21 to this section.

22 (a) [~~"sibling" shall mean a brother or a sister, whether related~~] the  
23 term "sibling" shall include persons whose relationship as siblings has  
24 been established through either half blood, whole blood or adoption.

25 § 8. Paragraph (a) of subdivision 5 of section 459-c of the real prop-  
26 erty tax law, as separately amended by section 2 of part B of chapter  
27 686 and chapter 488 of the laws of 2022, is amended to read as follows:

28 (a) (i) if the income of the owner or the combined income of the  
29 owners of the property for the applicable income tax year [~~immediately~~  
30 ~~preceding the date of making application for exemption~~] exceeds the sum  
31 of three thousand dollars, or such other sum not less than three thou-  
32 sand dollars nor more than [~~twenty six thousand dollars beginning July~~  
33 ~~first, two thousand six, twenty seven thousand dollars beginning July~~  
34 ~~first, two thousand seven, twenty eight thousand dollars beginning July~~  
35 ~~first, two thousand eight, twenty nine thousand dollars beginning July~~  
36 ~~first, two thousand nine, and fifty thousand dollars beginning July~~  
37 ~~first, two thousand twenty two, and in a city with a population of one~~  
38 ~~million or more fifty thousand dollars beginning July first, two thou-~~  
39 ~~sand seventeen~~] fifty thousand dollars, as may be provided by the local  
40 law or resolution adopted pursuant to this section. [~~Income tax year~~  
41 ~~shall mean the twelve month period for which the owner or owners filed a~~  
42 ~~federal personal income tax return, or if no such return is filed, the~~  
43 ~~calendar year.~~]

44 (ii) Where the taxable status date is on or before April fourteenth,  
45 the applicable income tax year shall be the second most recent calendar  
46 year. Where the taxable status date is on or after April fifteenth, the  
47 applicable income tax year shall be the most recent calendar year.  
48 Provided, however, that for taxpayers whose income tax returns are filed  
49 on the basis of a fiscal year rather than a calendar year, the applica-  
50 ble income tax year shall be the most recent fiscal year for which an  
51 income tax return has been filed.

52 (iii) Where title is vested in [~~either the husband or the wife, their~~]  
53 a married person, the combined income of such person and such person's  
54 spouse may not exceed such sum, except where [~~the husband or wife, or~~  
55 ~~ex-husband or ex-wife~~] one spouse or ex-spouse is absent from the prop-  
56 erty due to divorce, legal separation or abandonment, then only the



1 income of the spouse or ex-spouse residing on the property shall be  
2 considered and may not exceed such sum. [~~Such income shall include~~  
3 ~~social security and retirement benefits, interest, dividends, total gain~~  
4 ~~from the sale or exchange of a capital asset which may be offset by a~~  
5 ~~loss from the sale or exchange of a capital asset in the same income tax~~  
6 ~~year, net rental income, salary or earnings, and net income from self-~~  
7 ~~employment, but shall not include a return of capital, gifts, inheri-~~  
8 ~~tances or monies earned through employment in the federal foster grand-~~  
9 ~~parent program and any such income shall be offset by all medical and~~  
10 ~~prescription drug expenses actually paid which were not reimbursed or~~  
11 ~~paid for by insurance, if the governing board of a municipality, after a~~  
12 ~~public hearing, adopts a local law or resolution providing therefor. In~~  
13 ~~computing net rental income and net income from self employment no~~  
14 ~~depreciation deduction shall be allowed for the exhaustion, wear and~~  
15 ~~tear of real or personal property held for the production of income]~~

16 (iv) The term "income" as used herein shall mean the "adjusted gross  
17 income" for federal income tax purposes as reported on the applicant's  
18 federal or state income tax return for the applicable income tax year,  
19 subject to any subsequent amendments or revisions, plus any social secu-  
20 rity benefits not included in such federal adjusted gross income;  
21 provided that if no such return was filed for the applicable income tax  
22 year, the applicant's income shall be determined based on the amounts  
23 that would have so been reported if such a return had been filed; and  
24 provided further, that when determining income for purposes of this  
25 section, the following conditions shall be applicable:

26 (1) the governing body of a municipal corporation, after a public  
27 hearing, may adopt a local law, ordinance or resolution providing that  
28 any social security benefits that were not included in the applicant's  
29 federal adjusted gross income shall not be considered income;

30 (2) distributions received from an individual retirement account or  
31 individual retirement annuity that were included in the applicant's  
32 federal adjusted gross income shall not be considered income unless the  
33 governing body of a municipal corporation, after a public hearing,  
34 adopts a local law, ordinance or resolution providing otherwise;

35 (3) the applicant's income shall be offset by all medical and  
36 prescription drug expenses actually paid that were not reimbursed or  
37 paid for by insurance, if the governing body of a municipal corporation,  
38 after a public hearing, adopts a local law, ordinance or resolution  
39 providing therefor;

40 (4) any tax-exempt interest or dividends that were excluded from the  
41 applicant's federal adjusted gross income shall be considered income;  
42 and

43 (5) any losses that were applied to reduce the applicant's federal  
44 adjusted gross income shall be subject to the following limitations:

45 (A) the net amount of loss reported on federal Schedule C, D, E, or F  
46 shall not exceed three thousand dollars per schedule,

47 (B) the net amount of any other separate category of loss shall not  
48 exceed three thousand dollars, and

49 (C) the aggregate amount of all losses shall not exceed fifteen thou-  
50 sand dollars;

51 § 9. Paragraph (a) of subdivision 6 of section 459-c of the real prop-  
52 erty tax law, as amended by section 2 of part B of chapter 686 of the  
53 laws of 2022, is amended to read as follows:

54 (a) If so provided in the local law or resolution adopted pursuant to  
55 this section, title to that portion of real property owned by a cooper-  
56 ative apartment corporation in which a tenant-stockholder of such corpo-

1 ration resides, and which is represented by [~~his~~] the tenant-  
2 stockholder's share or shares of stock in such corporation as determined  
3 by its or their proportional relationship to the total outstanding stock  
4 of the corporation, including that owned by the corporation, shall be  
5 deemed to be vested in such tenant-stockholder.

6 § 10. Paragraph c of subdivision 1 of section 467-b of the real prop-  
7 erty tax law, as amended by chapter 500 of the laws of 2001, is amended  
8 to read as follows:

9 c. "Income" means [~~income from all sources after deduction of all~~  
10 ~~income and social security taxes and includes social security and~~  
11 ~~retirement benefits, supplemental security income and additional state~~  
12 ~~payments, public assistance benefits, interest, dividends, net rental~~  
13 ~~income, salary or earnings, and net income from self employment, but~~  
14 ~~shall not include gifts or inheritances, payments made to individuals~~  
15 ~~because of their status as victims of Nazi persecution, as defined in~~  
16 ~~P.L. 103-286, or increases in benefits accorded pursuant to the social~~  
17 ~~security act or a public or private pension paid to any member of the~~  
18 ~~household which increase, in any given year, does not exceed the consum-~~  
19 ~~er price index (all items United States city average) for such year~~  
20 ~~which take effect after the date of eligibility of head of the household~~  
21 ~~receiving benefits hereunder whether received by the head of the house-~~  
22 ~~hold or any other member of the household] the "adjusted gross income"  
23 for federal income tax purposes as reported on the applicant's federal  
24 or state income tax return for the applicable income tax year, subject  
25 to any subsequent amendments or revisions, plus any social security  
26 benefits not included in such federal adjusted gross income; provided  
27 that if no such return was filed for the applicable income tax year, the  
28 applicant's income shall be determined based on the amounts that would  
29 have so been reported if such a return had been filed; and provided  
30 further, that when determining income for purposes of this section, the  
31 following conditions shall be applicable:~~

32 (i) the governing body of a municipal corporation, after a public  
33 hearing, may adopt a local law, ordinance or resolution providing that  
34 any social security benefits that were not included in the applicant's  
35 federal adjusted gross income shall not be considered income;

36 (ii) distributions received from an individual retirement account or  
37 individual retirement annuity that were included in the applicant's  
38 federal adjusted gross income shall not be considered income unless the  
39 governing body of a municipal corporation, after a public hearing,  
40 adopts a local law, ordinance or resolution providing otherwise;

41 (iii) the applicant's income shall be offset by all medical and  
42 prescription drug expenses actually paid that were not reimbursed or  
43 paid for by insurance, if the governing body of a municipal corporation,  
44 after a public hearing, adopts a local law, ordinance or resolution  
45 providing therefor;

46 (iv) any tax-exempt interest or dividends that were excluded from the  
47 applicant's federal adjusted gross income shall be considered income;  
48 and

49 (v) any losses that were applied to reduce the applicant's federal  
50 adjusted gross income shall be subject to the following limitations:

51 (A) the net amount of loss reported on federal Schedule C, D, E, or F  
52 shall not exceed three thousand dollars per schedule,

53 (B) the net amount of any other separate category of loss shall not  
54 exceed three thousand dollars, and

55 (C) the aggregate amount of all losses shall not exceed fifteen thou-  
56 sand dollars;

1 § 11. Paragraph f of subdivision 1 of section 467-c of the real prop-  
2 erty tax law, as amended by chapter 500 of the laws of 2001, is amended  
3 to read as follows:

4 f. "Income" means [~~income received by the eligible head of the house-~~  
5 ~~hold combined with the income of all other members of the household from~~  
6 ~~all sources after deduction of all income and social security taxes and~~  
7 ~~includes without limitation, social security and retirement benefits,~~  
8 ~~supplemental security income and additional state payments, public~~  
9 ~~assistance benefits, interest, dividends, net rental income, salary and~~  
10 ~~earnings, and net income from self employment, but shall not include~~  
11 ~~gifts or inheritances, payments made to individuals because of their~~  
12 ~~status as victims of Nazi persecution as defined in P.L. 103-286, nor~~  
13 ~~increases in benefits accorded pursuant to the social security act or a~~  
14 ~~public or private pension paid to any member of the household which~~  
15 ~~increase, in any given year, does not exceed the consumer price index~~  
16 ~~(all items United States city average) for such year which take effect~~  
17 ~~after the eligibility date of an eligible head of the household receiv-~~  
18 ~~ing benefits hereunder whether received by the eligible head of the~~  
19 ~~household or any other member of the household.] the "adjusted gross  
20 income" for federal income tax purposes as reported on the applicant's  
21 federal or state income tax return for the applicable income tax year,  
22 subject to any subsequent amendments or revisions, plus any social  
23 security benefits not included in such federal adjusted gross income;  
24 provided that if no such return was filed for the applicable income  
25 tax year, the applicant's income shall be determined based on the  
26 amounts that would have so been reported if such a return had  
27 been filed; and provided further, that when determining income for  
28 purposes of this section, the following conditions shall be appli-  
29 cable:~~

30 (1) the governing body of a municipal corporation, after a public  
31 hearing, may adopt a local law, ordinance or resolution providing that  
32 any social security benefits that were not included in the applicant's  
33 adjusted gross income shall not be considered income;

34 (2) distributions received from an individual retirement account or  
35 individual retirement annuity that were included in the applicant's  
36 federal adjusted gross income shall not be considered income unless the  
37 governing body of a municipal corporation, after a public hearing,  
38 adopts a local law, ordinance or resolution providing otherwise;

39 (3) the applicant's income shall be offset by all medical and  
40 prescription drug expenses actually paid that were not reimbursed or  
41 paid for by insurance, if the governing body of a municipal corporation,  
42 after a public hearing, adopts a local law, ordinance or resolution  
43 providing therefor;

44 (4) any tax-exempt interest or dividends that were excluded from the  
45 applicant's federal adjusted gross income shall be considered income;  
46 and

47 (5) any losses that were applied to reduce the applicant's federal  
48 adjusted gross income shall be subject to the following limitations:

49 (i) the net amount of loss reported on federal Schedule C, D, E, or F  
50 shall not exceed three thousand dollars per schedule,

51 (ii) the net amount of any other separate category of loss shall not  
52 exceed three thousand dollars, and

53 (iii) the aggregate amount of all losses shall not exceed fifteen  
54 thousand dollars.

55 (6) When the eligible head of the household has retired on or after  
56 the commencement of the taxable period and prior to the date of making

1 an application for a rent increase exemption order/tax abatement certifi-  
2 cate pursuant to this section, such person's income shall be adjusted  
3 by excluding salary or earnings and projecting such person's retirement  
4 income over the entire taxable period.

5 § 12. This act shall take effect immediately and shall apply to all  
6 applications for exemptions pursuant to sections 467, 459-c, 467-b and  
7 467-c of the real property tax law on assessment rolls that are based on  
8 taxable status dates occurring on and after October 1, 2023.

9 PART L

10 Section 1. Section 2 of chapter 540 of the laws of 1992, amending the  
11 real property tax law relating to oil and gas charges, as amended by  
12 section 1 of part C of chapter 59 of the laws of 2020, is amended to  
13 read as follows:

14 § 2. This act shall take effect immediately and shall be deemed to  
15 have been in full force and effect on and after April 1, 1992; provided,  
16 however that any charges imposed by section 593 of the real property tax  
17 law as added by section one of this act shall first be due for values  
18 for assessment rolls with tentative completion dates after July 1, 1992,  
19 and provided further, that this act shall remain in full force and  
20 effect until March 31, ~~2024~~ 2027, at which time section 593 of the  
21 real property tax law as added by section one of this act shall be  
22 repealed.

23 § 2. This act shall take effect immediately.

24 PART M

25 Intentionally Omitted

26 PART N

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

29 1-a. Notwithstanding any provision of law to the contrary, the solar  
30 or wind energy system appraisal model authorized by this section shall  
31 be identified, formulated, adopted, published, and updated periodically  
32 in the manner provided in this section without regard to the provisions  
33 of article two of the state administrative procedure act.

34 § 2. Subparagraph (viii) of paragraph (b) of subdivision 2 of section  
35 102 of the state administrative procedure act, as amended by chapter 74  
36 of the laws of 1987, is amended to read as follows:

37 (viii) appraisal models, discount rates, state equalization rates,  
38 class ratios, special equalization rates and special equalization ratios  
39 established pursuant to the real property tax law;

40 § 3. No assessing unit that failed to use the appraisal model pursu-  
41 ant to section 575-b of the real property tax law in 2022 shall be held  
42 liable for failing to use such model in 2022. Within fifteen days from  
43 the effective date of this act, the commissioner of taxation and finance  
44 may readopt the 2022 appraisal model or models and discount rates for  
45 use in 2023, without additional consultation with the New York state  
46 energy research and development authority or the New York state asses-  
47 sors association, and without soliciting or considering additional  
48 public comments.

1 § 4. This act shall take effect immediately and shall be deemed to  
2 have been in full force and effect on and after the effective date of  
3 part X of chapter 59 of the laws of 2021.

4 PART O

5 Intentionally Omitted

6 PART P

7 Section 1. Section 1299-C of the tax law is REPEALED.

8 § 2. Notwithstanding any provision of law to the contrary, there shall  
9 be no refund of any registration fees paid prior to the effective date  
10 of this act.

11 § 3. This act shall take effect immediately.

12 PART Q

13 Section 1. Section 285-a of the tax law is amended by adding a new  
14 subdivision 4 to read as follows:

15 4. Upon each sale of motor fuel, other than a sale that is otherwise  
16 exempt under this article, the distributor must charge the tax imposed  
17 by this article to the purchaser on each gallon sold. If the taxes  
18 imposed by this article have not already been assumed or paid by a  
19 distributor on any quantity of such fuel for any reason, including, but  
20 not limited to, the expansion of such fuel as a result of temperature  
21 fluctuation, the distributor must remit such taxes to the commissioner  
22 on the return for the period in which such sale was made.

23 § 2. Section 285-b of the tax law is amended by adding a new subdivi-  
24 sion 5 to read as follows:

25 5. Upon each sale of Diesel motor fuel, other than a sale that is  
26 otherwise exempt under this article, the distributor must charge the tax  
27 imposed by this article to the purchaser on each gallon sold. If the  
28 taxes imposed by this article have not already been assumed or paid by a  
29 distributor on any quantity of such fuel for any reason, including, but  
30 not limited to, the expansion of such fuel as a result of temperature  
31 fluctuation, the distributor must remit such taxes to the commissioner  
32 on the return for the period in which such sale was made.

33 § 3. Section 308 of the tax law is amended by adding a new subdivision  
34 (j) to read as follows:

35 (j) Every petroleum business subject to tax under this article that is  
36 also a distributor, as defined in section two hundred eighty-two of this  
37 chapter, must charge the tax imposed by this article to the purchaser on  
38 each gallon sold, unless otherwise exempt. If the taxes imposed by this  
39 article have not already been assumed or paid by such petroleum business  
40 on any quantity of such fuel for any reason, including, but not limited  
41 to, the expansion of such fuel as a result of temperature fluctuation,  
42 such petroleum business must remit such taxes to the commissioner on the  
43 return for the period in which such sale was made.

44 § 4. Section 1102 of the tax law is amended by adding a new subdivi-  
45 sion (g) to read as follows:

46 (g) The tax imposed by this section must be charged on the sale, other  
47 than a retail sale or a sale that is otherwise exempt under this arti-  
48 cle, of each gallon of motor fuel or Diesel motor fuel. If the taxes  
49 imposed by this section have not already been assumed or paid by the



1 distributor on any quantity of such fuel for any reason, including, but  
2 not limited to, the expansion of such fuel as a result of temperature  
3 fluctuation, the distributor must remit such taxes to the commissioner  
4 on the return for the period in which such sale was made.

5 § 5. This act shall take effect on September 1, 2023 and shall apply  
6 to sales of motor fuel and Diesel motor fuel on or after such date.

7 PART R

8 Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of  
9 section 1115 of the tax law, as amended by section 1 of part GG of chap-  
10 ter 59 of the laws of 2022, is amended to read as follows:

11 (B) Until May [~~thirty-first~~ thirty-first, two thousand [~~twenty-three~~  
12 twenty-four, the food and drink excluded from the exemption provided by  
13 clauses (i), (ii) and (iii) of subparagraph (A) of this paragraph, and  
14 bottled water, shall be exempt under this subparagraph: (i) when sold  
15 for one dollar and fifty cents or less through any vending machine that  
16 accepts coin or currency only; or (ii) when sold for two dollars or less  
17 through any vending machine that accepts any form of payment other than  
18 coin or currency, whether or not it also accepts coin or currency.

19 § 2. This act shall take effect June 1, 2023.

20 PART S

21 Section 1. Subdivision 1 of section 471 of the tax law, as amended by  
22 section 1 of part D of chapter 134 of the laws of 2010, is amended to  
23 read as follows:

24 1. There is hereby imposed and shall be paid a tax on all cigarettes  
25 possessed in the state by any person for sale, except that no tax shall  
26 be imposed on cigarettes sold under such circumstances that this state  
27 is without power to impose such tax, including sales to qualified Indi-  
28 ans for their own use and consumption on their nations' or tribes' qual-  
29 ified reservation, or sold to the United States or sold to or by a  
30 voluntary unincorporated organization of the armed forces of the United  
31 States operating a place for the sale of goods pursuant to regulations  
32 promulgated by the appropriate executive agency of the United States, to  
33 the extent provided in such regulations and policy statements of such an  
34 agency applicable to such sales. The tax imposed by this section is  
35 imposed on all cigarettes sold on an Indian reservation to non-members  
36 of the Indian nation or tribe and to non-Indians and evidence of such  
37 tax shall be by means of an affixed cigarette tax stamp. Indian nations  
38 or tribes may elect to participate in the Indian tax exemption coupon  
39 system established in section four hundred seventy-one-e of this article  
40 which provides a mechanism for the collection of the tax imposed by this  
41 section on cigarette sales on qualified reservations to such non-members  
42 and non-Indians and for the delivery of quantities of tax-exempt ciga-  
43 rettes to Indian nations or tribes for the personal use and consumption  
44 of qualified members of the Indian nation or tribe. If an Indian nation  
45 or tribe does not elect to participate in the Indian tax exemption  
46 coupon system, the prior approval system shall be the mechanism for the  
47 delivery of quantities of tax-exempt cigarettes to Indian nations or  
48 tribes for the personal use and consumption of qualified members of the  
49 Indian nation or tribe as provided for in paragraph (b) of subdivision  
50 five of this section. Such tax on cigarettes shall be at the rate of  
51 [~~four~~ five dollars and thirty-five cents for each twenty cigarettes or  
52 fraction thereof, provided, however, that if a package of cigarettes

1 contains more than twenty cigarettes, the rate of tax on the cigarettes  
2 in such package in excess of twenty shall be one dollar and [~~eight~~]  
3 ~~thirty-three~~ and three-quarters cents for each five cigarettes or frac-  
4 tion thereof. Such tax is intended to be imposed upon only one sale of  
5 the same package of cigarettes. It shall be presumed that all cigarettes  
6 within the state are subject to tax until the contrary is established,  
7 and the burden of proof that any cigarettes are not taxable hereunder  
8 shall be upon the person in possession thereof.

9 § 2. Section 471-a of the tax law, as amended by section 5 of part D  
10 of chapter 134 of the laws of 2010, is amended to read as follows:

11 § 471-a. Use tax on cigarettes. There is hereby imposed and shall be  
12 paid a tax on all cigarettes used in the state by any person, except  
13 that no tax shall be imposed (1) if the tax provided in section four  
14 hundred seventy-one of this article is paid, (2) on the use of ciga-  
15 rettes which are exempt from the tax imposed by said section, or (3) on  
16 the use of four hundred or less cigarettes, brought into the state on,  
17 or in the possession of, any person. Such tax on cigarettes shall be at  
18 the rate of [~~four~~ ~~five~~ five dollars and thirty-five cents for each twenty  
19 cigarettes or fraction thereof, provided, however, that if a package of  
20 cigarettes contains more than twenty cigarettes, the rate of tax on the  
21 cigarettes in such package in excess of twenty shall be one dollar and  
22 [~~eight~~ ~~thirty-three~~ and three-quarters cents for each five cigarettes  
23 or fraction thereof. Within twenty-four hours after liability for the  
24 tax accrues, each such person shall file with the commissioner a return  
25 in such form as the commissioner may prescribe together with a remit-  
26 tance of the tax shown to be due thereon. For purposes of this article,  
27 the word "use" means the exercise of any right or power actual or  
28 constructive and shall include but is not limited to the receipt, stor-  
29 age or any keeping or retention for any length of time, but shall not  
30 include possession for sale. All other provisions of this article if not  
31 inconsistent shall apply to the administration and enforcement of the  
32 tax imposed by this section in the same manner as if the language of  
33 said provisions had been incorporated in full into this section.

34 § 3. Notwithstanding any other provision of law to the contrary, the  
35 tax due on cigarettes possessed in New York state as of the close of  
36 business on August 31, 2023, by any person for sale solely attributable  
37 to the increase imposed by the amendments to section 471 of the tax law,  
38 as amended by section one of this act, shall be paid by November 20,  
39 2023, subject to such terms and conditions as the commissioner of taxa-  
40 tion and finance shall prescribe.

41 § 4. This act shall take effect on September 1, 2023, and shall apply  
42 to all cigarettes possessed in this state by any person for sale and all  
43 cigarettes used in this state by any person on or after such date.

44

## PART T

45 Section 1. Subdivision 4 of section 474 of the tax law, as amended by  
46 chapter 61 of the laws of 1989, is amended to read as follows:

47 4. At the time of delivering cigarettes to any person each agent or  
48 wholesale dealer, and at the time of delivering tobacco products to any  
49 person each distributor or wholesale dealer of tobacco products, shall  
50 make a true duplicate invoice showing the date of delivery, the number  
51 of packages and number of cigarettes contained therein, in each shipment  
52 of cigarettes delivered, and the items and quantity and wholesale price  
53 of each item in each shipment of tobacco products delivered, and the  
54 name of the purchaser to whom delivery is made, and shall retain the

1 same for a period of three years subject to the use and inspection of  
2 the commissioner [~~of taxation and finance~~]. Each dealer shall procure  
3 and retain invoices showing the number of packages and number of ciga-  
4 rettes contained therein, in each shipment of cigarettes received by him  
5 or her, and the items and quantity and wholesale price of each item in  
6 each shipment of tobacco products received by him or her, the date ther-  
7 eof, and the name of the shipper, and shall retain the same for a period  
8 of three years subject to the use and inspection of the commissioner [~~of~~  
9 ~~taxation and finance~~]. The commissioner [~~of taxation and finance~~] by  
10 regulation may provide that whenever cigarettes or tobacco products are  
11 shipped into the state, the railroad company, express company, trucking  
12 company or other public carrier transporting any shipment thereof shall  
13 file with the commissioner [~~of taxation and finance~~] a copy of the  
14 freight bill within ten days after the delivery in the state of each  
15 shipment. All dealers shall maintain and keep for a period of three  
16 years such other records of cigarettes or tobacco products received,  
17 sold or delivered within the state as may be required by the commission-  
18 er [~~of taxation and finance~~]. The commissioner [~~of taxation and finance~~]  
19 is hereby authorized to examine the books, papers, invoices and other  
20 records of any person in possession, control or occupancy of any prem-  
21 ises where cigarettes or tobacco products are placed, stored, sold or  
22 offered for sale, and the equipment of any such person pertaining to the  
23 stamping of cigarettes or the sale and delivery of cigarettes or tobacco  
24 products taxable under this article, as well as the stock of cigarettes  
25 or tobacco products in any such premises or vehicle. To verify the accu-  
26 racy of the tax imposed and assessed by this article, each such person  
27 is hereby directed and required to give to the commissioner [~~of taxation~~  
28 ~~and finance~~] or his or her duly authorized representatives, the means,  
29 facilities and opportunity for such examinations as are herein provided  
30 for and required.

31 § 2. Paragraphs (b) and (d) of subdivision 4 of section 480-a of the  
32 tax law, as amended by section 4 of part I of chapter 59 of the laws of  
33 2020, are amended and a new paragraph (a-1) is added to read as follows:

34 (a-1) If a retail dealer, including an agent thereof, refuses to  
35 comply with the requirements of subdivision four of section four hundred  
36 seventy-four of this article its registration may be revoked (i) for a  
37 period of one year, or (ii) for a second such violation within a period  
38 of five years for up to three years, or (iii) for a third or subsequent  
39 violation within a period of seven years for a period up to ten years. A  
40 retail dealer registration shall be considered to be revoked pursuant to  
41 this subdivision immediately upon such dealer's receipt of written  
42 notice of revocation from the commissioner.

43 (b) A retail dealer who is notified of a revocation of its registra-  
44 tion pursuant to this subdivision shall have the right to have the revo-  
45 cation reviewed by the commissioner or his or her designee by contacting  
46 the department at a telephone number or an address to be disclosed in  
47 the notice of revocation within ten days of such dealer's receipt of  
48 such notification. The retail dealer may present written evidence or  
49 argument in support of its defense to the revocation, or may appear at a  
50 scheduled conference with the commissioner or his or her designee to  
51 present oral arguments and written and oral evidence in support of such  
52 defense. The commissioner or his or her designee is authorized to delay  
53 the effective date of the revocation to enable the retail dealer to  
54 present further evidence or arguments in connection with the revocation.  
55 The commissioner or his or her designee shall cancel the revocation of  
56 registration if the commissioner or his or her designee is not satisfied

1 by a preponderance of the evidence that the retail dealer [~~possessed or~~  
2 ~~sold unstamped or unlawfully stamped packages of cigarettes~~] violated  
3 paragraph (a) or (a-1) of this subdivision, as may be applicable.

4 (d) After review of the revocation of registration by the commissioner  
5 or his or her designee is complete, or the time within which a retail  
6 dealer may request such review has expired without such a request having  
7 been made, notice of the revocation of a retail dealer registration  
8 pursuant to paragraph (a) of this subdivision shall be given by the  
9 commissioner to the head of the division of the lottery for the purpose  
10 of enforcement of section sixteen hundred seven of this chapter and such  
11 division may suspend or revoke any license issued with respect to a  
12 lottery agent's specific location pursuant to article thirty-four of  
13 this chapter if such lottery agent is a retail dealer of cigarettes  
14 whose registration for such location is suspended or revoked pursuant to  
15 this section. In addition, notice of such revocation shall also be given  
16 to the state liquor authority and such revocation shall constitute  
17 cause, for purposes of section one hundred eighteen of the alcoholic  
18 beverage control law, for revocation, cancellation or suspension of any  
19 license or permit issued pursuant to such law.

20 § 3. Subdivision 3 of section 480-a of the tax law is amended by  
21 adding a new paragraph (c) to read as follows:

22 (c) If a retail dealer does not possess a valid registration, either  
23 because it failed to obtain a registration or its registration is  
24 suspended or revoked and the commissioner or their designee, pursuant to  
25 their authority under this article, attempts to inspect such premises  
26 for a violation of this section and such retail dealer, including an  
27 agent thereof, is found, after notice and opportunity to be heard, to  
28 have refused such inspection, such retail dealer shall be subject to a  
29 penalty of up to four thousand dollars for a first refusal and up to  
30 eight thousand dollars for a second or subsequent refusal within three  
31 years of a prior refusal.

32 § 4. This act shall take effect immediately.

33 PART U

34 Section 1. The opening paragraph of subparagraph (B) of paragraph 2 of  
35 subdivision (b) of section 1402 of the tax law, as amended by section 1  
36 of item UUU of subpart B of part XXX of chapter 58 of the laws of 2020,  
37 is amended to read as follows:

38 For purposes of this subdivision, the phrase "real estate investment  
39 trust transfer" shall mean any conveyance of real property or an inter-  
40 est therein to a REIT, or to a partnership or corporation in which a  
41 REIT owns a controlling interest immediately following the conveyance,  
42 which conveyance (I) occurs in connection with the initial formation of  
43 the REIT, provided that the conditions set forth in clauses (i) and (ii)  
44 of this subparagraph are satisfied, or (II) in the case of any real  
45 estate investment trust transfer occurring on or after July thirteenth,  
46 nineteen hundred ninety-six and before September first, two thousand  
47 [~~twenty-three~~] twenty-six, is described in the last sentence of this  
48 subparagraph.

49 § 2. Subparagraph 2 of paragraph (xi) of subdivision (b) of section  
50 1201 of the tax law, as amended by section 2 of item UUU of subpart B of  
51 part XXX of chapter 58 of the laws of 2020, is amended to read as  
52 follows:

53 (2) any issuance or transfer of an interest in a REIT, or in a part-  
54 nership or corporation in which a REIT owns a controlling interest imme-

1 diately following the issuance or transfer, in connection with a trans-  
2 action described in subparagraph one of this paragraph. Notwithstanding  
3 the foregoing, a transaction described in the preceding sentence shall  
4 not constitute a real estate investment trust transfer unless (A) it  
5 occurs in connection with the initial formation of the REIT and the  
6 conditions described in subparagraphs three and four of this paragraph  
7 are satisfied, or (B) in the case of any real estate investment trust  
8 transfer occurring on or after July thirteenth, nineteen hundred nine-  
9 ty-six and before September first, two thousand [~~twenty-three~~] twenty-  
10 six, the transaction is described in subparagraph five of this paragraph  
11 in which case the provisions of such subparagraph shall apply.

12 § 3. Subparagraph (B) of paragraph 2 of subdivision e of section  
13 11-2102 of the administrative code of the city of New York, as amended  
14 by section 3 of item UUU of subpart B of part XXX of chapter 58 of the  
15 laws of 2020, is amended to read as follows:

16 (B) any issuance or transfer of an interest in a REIT, or in a part-  
17 nership or corporation in which a REIT owns a controlling interest imme-  
18 diately following the issuance or transfer in connection with a trans-  
19 action described in subparagraph (A) of this paragraph. Notwithstanding  
20 the foregoing, a transaction described in the preceding sentence shall  
21 not constitute a real estate investment trust transfer unless (i) it  
22 occurs in connection with the initial formation of the REIT and the  
23 conditions described in subparagraphs (C) and (D) of this paragraph are  
24 satisfied, or (ii) in the case of any real estate investment trust  
25 transfer occurring on or after July thirteenth, nineteen hundred nine-  
26 ty-six and before September first, two thousand [~~twenty-three~~] twenty-  
27 six, the transaction is described in subparagraph (E) of this paragraph  
28 in which case the provision of such subparagraph shall apply.

29 § 4. This act shall take effect immediately.

30

#### PART V

31 Section 1. Section 2016 of the tax law, as amended by chapter 401 of  
32 the laws of 1987, is amended to read as follows:

33 § 2016. Judicial review. 1. A decision of the tax appeals tribunal,  
34 which is not subject to any further administrative review, shall finally  
35 and irrevocably decide all the issues which were raised in proceedings  
36 before the division of tax appeals upon which such decision is based  
37 unless the petitioner or the commissioner, or both, petitions for judi-  
38 cial review in the manner provided by article seventy-eight of the civil  
39 practice law and rules, except as otherwise provided in this section,  
40 within four months after notice of such decision is served by the tax  
41 appeals tribunal upon every party to the proceeding before such tribunal  
42 by certified mail or personal service [~~, the petitioner who commenced the~~  
43 ~~proceeding petitions for judicial review in the manner provided by arti-~~  
44 ~~cle seventy-eight of the civil practice law and rules, except as other-~~  
45 ~~wise provided in this section~~]. Such service by certified mail shall be  
46 complete upon deposit of such notice, enclosed in a post-paid properly  
47 addressed wrapper, in a post office or official depository under the  
48 exclusive care and custody of the United States postal service. [~~The~~]

49 2. When the petitioner who commenced the proceeding before the divi-  
50 sion of tax appeals files a petition for judicial review, such petition  
51 shall designate the tax appeals tribunal and the commissioner [~~of taxa-~~  
52 ~~tion and finance~~] as respondents in the proceeding for judicial review.

53 3. The commissioner, in consultation with the attorney general, may  
54 petition for judicial review of a decision of the tax appeals tribunal



1 that is premised on interpretation of the state or federal constitution,  
2 international law, federal law, the law of other states, or other legal  
3 matters that are beyond the purview of the state legislature. When the  
4 commissioner files a petition for judicial review, such petition shall  
5 designate the tax appeals tribunal and the petitioner who commenced the  
6 proceeding before the division of tax appeals as respondents.

7 4. The tax appeals tribunal shall not participate in proceedings for  
8 judicial review of its decisions and such proceedings for judicial  
9 review shall be commenced in the appellate division of the supreme  
10 court, third department. In all other respects the provisions and stand-  
11 ards of article seventy-eight of the civil practice law and rules shall  
12 apply. The record to be reviewed in such proceedings for judicial  
13 review shall include the determination of the administrative law judge,  
14 the decision of the tax appeals tribunal, the stenographic transcript of  
15 the hearing before the administrative law judge, the transcript of any  
16 oral proceedings before the tax appeals tribunal and any exhibit or  
17 document submitted into evidence at any proceeding in the division of  
18 tax appeals upon which such decision is based.

19 5. Whenever the commissioner petitions for judicial review as provided  
20 in subdivision three of this section, any interest and penalty that,  
21 under the provisions of this chapter, would otherwise continue to accrue  
22 on the underlying tax liability that is the subject of the decision  
23 shall be stayed until fifteen days after the issuance of a judicial  
24 decision where no further appeals of such decision are allowed. For  
25 provisions regarding the awarding of costs, see section three thousand  
26 thirty of this chapter.

27 § 2. This act shall take effect immediately and shall apply to deci-  
28 sions and orders issued by the tax appeals tribunal on or after such  
29 date.

30 PART W

31 Section 1. Subdivision 1 of section 105 of the state finance law, as  
32 amended by chapter 204 of the laws of 2002, is amended to read as  
33 follows:

34 1. All moneys received by the commissioner of taxation and finance on  
35 account of the state, excepting such moneys as are required by law to be  
36 deposited to the credit of the comptroller, but including such moneys as  
37 are thereafter paid into the state treasury by the comptroller, shall be  
38 deposited by the commissioner of taxation and finance within three busi-  
39 ness days after the receipt thereof, either as a demand deposit or an  
40 interest-bearing time deposit (other than a time certificate of depos-  
41 it), as [~~he~~] the commissioner and the comptroller may determine, in such  
42 banks, trust companies and industrial banks as in [~~his~~] the opinion of  
43 the commissioner and the opinion of the comptroller are secure. The  
44 moneys so deposited shall be placed to the account of the commissioner  
45 of taxation and finance. [~~He~~] The commissioner shall keep a bankbook in  
46 which shall be entered [~~his~~] their account of deposit in and moneys  
47 drawn from the banks and trust companies and industrial banks in which  
48 deposits are made by [~~him~~] the commissioner, which [~~he~~] they shall  
49 exhibit to the comptroller for [~~his~~] inspection on the first Tuesday of  
50 every month and oftener if required. [~~He~~] The commissioner shall not  
51 draw any moneys from such banks, trust companies or industrial banks  
52 unless by checks signed and countersigned in the manner prescribed by  
53 section one hundred one, unless otherwise provided by law. No moneys  
54 shall be paid by any such bank, trust company or industrial bank out of

1 any such deposit except upon such checks. Moneys may be paid through  
2 electronic transfer in accordance with procedures developed by the  
3 commissioner of taxation and finance and the comptroller and consistent  
4 with the requirements of this section for recording payments. Such  
5 payments through electronic transfer shall be considered, for purposes  
6 of this chapter, to be moneys drawn by check. Every such bank, trust  
7 company or industrial bank shall transmit to the comptroller monthly  
8 statements of all moneys received and paid by it on account of the  
9 commissioner of taxation and finance.

10 § 2. This act shall take effect immediately.

11 PART X

12 Section 1. Legislative findings. The legislature finds that it is in  
13 the interests of the state to assist The New York Racing Association,  
14 Inc., which is the franchised corporation pursuant to section two  
15 hundred six of the racing, pari-mutuel wagering and breeding law, to  
16 renovate Belmont Park racetrack and repurpose the Aqueduct property.  
17 The legislature further finds and determines that the anticipated cost  
18 of renovating Belmont Park racetrack is four hundred fifty-five million  
19 dollars and that the renovation of Belmont Park racetrack shall initial-  
20 ly be financed by the state subject to the provisions of the repayment  
21 agreement of the franchised corporation required by section two of this  
22 act. The franchised corporation will be responsible for repayment of the  
23 state funds in accordance with the terms of such repayment agreement.

24 § 2. Prior to, and as a condition to the state initially providing  
25 funds for the renovation of Belmont Park racetrack, the franchised  
26 corporation shall enter into a repayment agreement with the state acting  
27 through the budget director authorizing and directing that a portion of  
28 the funds of the franchised corporation dedicated for capital expendi-  
29 tures of the franchised corporation pursuant to paragraph 3 of subdivi-  
30 sion f and paragraph 3 of subdivision f-1 of section 1612 of the tax law  
31 shall be used to repay the state for the funds provided by the state for  
32 the renovation of Belmont Park racetrack, in accordance with the repay-  
33 ment agreement between the state and the franchised corporation. For the  
34 purposes of this act, the terms "renovate", "renovation", and "renovat-  
35 ing" are limited to any and all construction funded by and subject to  
36 the repayment agreement required by subparagraph (ii) of the opening  
37 paragraph of paragraph 3 of subdivision f of section 1612 of the tax  
38 law. Such agreement shall further provide that:

39 (1) in the event the franchised corporation receives future statutory  
40 payments enacted for the specific purpose of holding the franchised  
41 corporation harmless for any loss of payments pursuant to paragraph 3 of  
42 subdivision f and paragraph 3 of subdivision f-1 of section 1612 of the  
43 tax law, such statutory payments shall also be used to repay the state  
44 for the funds provided by the state for the renovation of Belmont Park  
45 racetrack;

46 (2) the franchised corporation shall provide to the franchise over-  
47 sight board, as an exhibit to the agreement, descriptions of the  
48 construction work to be paid for with the loan provided by the state to  
49 the franchised corporation, which may include but shall not be limited  
50 to renderings, reports, and construction goals; provided however, that  
51 the franchise oversight board shall make such exhibit available on its  
52 website at least thirty days prior to execution of such agreement; and  
53 provided further, that the franchise oversight board shall receive such  
54 exhibit at least sixty days prior to execution of such agreement;

1 (3) the franchise oversight board shall include a requirement in any  
2 request for proposals for such renovation that any projects in  
3 connection with such work shall only be undertaken pursuant to a project  
4 labor agreement in accordance with section 222 of the labor law. For the  
5 purposes of this section, "project labor agreement" shall have the mean-  
6 ing set forth in subdivision 1 of section 213 of the racing, pari-mutuel  
7 wagering and breeding law;

8 (4) for purposes of article 15-A of the executive law and article 3 of  
9 the veterans' services law, the franchised corporation and any person  
10 entering into a contract for any project authorized pursuant to this act  
11 shall be deemed a state agency as such term is defined in such articles  
12 and such contracts shall be deemed state contracts within the meaning of  
13 such term as set forth in such articles. Additionally it must be demon-  
14 strated that:

15 (i) the franchised corporation and its contractors and subcontractors  
16 have made significant efforts to attract and retain minority, women,  
17 local, and veteran apprentices; and (ii) the franchised corporation and  
18 its contractors and subcontractors have committed to work with minority  
19 and women owned business enterprises pursuant to article 15-A of the  
20 executive law through joint ventures or subcontractor relationships;

21 (5) the franchised corporation shall establish affirmative action  
22 goals to provide equal employment opportunities to all employees,  
23 including minorities, women and persons with disabilities, at the  
24 Belmont Park racetrack;

25 (6) the franchise oversight board shall consult with the New York  
26 state energy research and development authority to determine what energy  
27 efficiencies may be realized with the Belmont project, which may  
28 include, but not be limited to, the number of zero emissions vehicle  
29 charging facilities, use of geothermal networks, mini-split systems,  
30 solar photovoltaic technologies, energy storage, and other renewable  
31 energy opportunities that the authority finds sufficient;

32 (7) the franchise oversight board shall ensure that, subsequent to the  
33 franchised corporation relinquishing to the state its leasehold interest  
34 in real property located in South Ozone Park, commonly known as Aqueduct  
35 Racetrack, the franchised corporation shall, in good faith, take all  
36 commercially reasonable steps to ensure that, upon closure of Aqueduct  
37 Racetrack, any individual who was employed by the franchised corporation  
38 and held a full time equivalent job at Aqueduct Racetrack or Belmont  
39 Park racetrack during the year two thousand twenty-three and has a full  
40 time equivalent job at the time the franchised corporation terminates  
41 all races at Aqueduct and moves all operations to Belmont, shall be  
42 offered an opportunity to continue to work at the Belmont Park racetrack  
43 in a comparable position with access to the same or greater number of  
44 work hours and at the same or greater rate of pay; and

45 (8) such agreement shall be subject to approval of the franchise over-  
46 sight board; provided, further, that the gaming commission shall publish  
47 such agreement on its website. Such agreement may also be amended from  
48 time to time as agreed to by the state and the franchised corporation;  
49 provided however, that such amendment must comply with the provisions of  
50 this act. At any time prior to the repayment of the state funds for the  
51 renovation of Belmont Park racetrack, the state may issue state personal  
52 income tax revenue bonds or state sales tax revenue bonds. In the event  
53 of the issuance of such bonds, the repayment agreement shall be revised  
54 to reflect the obligation of the franchised corporation to fully repay  
55 the debt service costs associated with such bonds.

1 § 3. Prior to, and as a condition of, the state initially providing  
2 funds for the renovation of Belmont Park racetrack, the franchised  
3 corporation shall also enter into an agreement with the state relin-  
4 quishing to the state its leasehold interest in real property located in  
5 South Ozone Park, commonly known as Aqueduct Racetrack, upon substantial  
6 completion of the renovation of Belmont Park racetrack; provided howev-  
7 er, that upon such relinquishment, such lands shall fall under the  
8 jurisdiction of the franchise oversight board and the provisions of  
9 section 212 of the racing, pari-mutuel wagering and breeding law shall  
10 govern the disposition and future real estate development of such lands.  
11 It is the intention of the legislature for race dates presently  
12 conducted at Aqueduct racetrack to be transferred to and conducted at  
13 Belmont Park racetrack, when the commission determines the franchise  
14 corporation is capable of hosting such dates. The number of race days  
15 at Belmont Park racetrack shall be agreed to in writing by the  
16 franchised corporation, New York Thoroughbred Breeders Inc., the New  
17 York Thoroughbred Horsemen's Association (or such other entity as  
18 is certified and approved pursuant to section 228 of the racing, pari-  
19 mutuel wagering and breeding law) and approved by the gaming commission.  
20 If such agreement cannot be made, the gaming commission shall determine  
21 the number of race days at Belmont Park racetrack.

22 § 4. The New York State Gaming Commission shall ensure that to the  
23 extent that the law allows for a franchise agreement for the operation  
24 of Belmont Park racetrack with a franchisee other than the franchised  
25 corporation, the term of any such franchise agreement awarded after  
26 funding provided by the state for the renovation of Belmont Park race-  
27 track described by section one of this act shall include a provision  
28 obligating such franchisee to assume the payments of the franchised  
29 corporation required by section two of this act.

30 § 5. Subdivision 1 of section 212 of the racing, pari-mutuel wagering  
31 and breeding law, as amended by chapter 18 of the laws of 2008, is  
32 amended to read as follows:

33 1. There is hereby created a franchise oversight board which shall  
34 consist of five members [~~appointed by the governor~~]. Of the five  
35 members, three shall be appointed by the governor, one shall be  
36 appointed [~~upon the recommendation of~~] by the temporary president of the  
37 senate and one shall be appointed [~~upon the recommendation of~~] by the  
38 speaker of the assembly. Of the initially appointed board, one member  
39 appointed by the governor shall serve for a one year term, one member  
40 appointed by the governor shall serve for a two year term, and one  
41 member appointed by the governor shall serve for a three year term[~~r~~  
42 ~~while each of the members appointed by the governor upon the recommenda-~~  
43 ~~tion of~~]. The members appointed by the temporary president of the senate  
44 and [~~upon the recommendation of~~] the speaker of the assembly shall serve  
45 for a four year term. All successors shall serve for a term of four  
46 years. All members shall continue in office until their successors have  
47 been appointed and qualified. The governor shall designate the chair  
48 from among the sitting members who shall serve as such at the pleasure  
49 of the governor.

50 § 6. Paragraph b of subdivision 6 of section 212 of the racing, pari-  
51 mutuel wagering and breeding law, as amended by chapter 243 of the laws  
52 of 2020, is amended to read as follows:

53 b. (i) The local advisory board for the Aqueduct racetrack facility  
54 shall comprise of fifteen members, nine of whom shall be designees of  
55 New York City Queens Community Board Ten, three designees of the fran-  
56 chised corporation and three designees of the video lottery gaming oper-

1 ator. At substantial completion of the Belmont project, as determined by  
2 the gaming commission, this board shall be dissolved.

3 (ii) (A) Notwithstanding subparagraph (i) of this paragraph, within  
4 thirty days after the substantial completion of the Belmont project, as  
5 determined by the gaming commission, an Aqueduct Redevelopment Community  
6 Advisory Board shall be formed to assess all bids made in response to  
7 the request for proposals on developing the Aqueduct property and is  
8 required to hold a public hearing and adopt and submit a written recom-  
9 mendation on each bid to the franchise oversight board within sixty days  
10 of receiving such bid. The adoption of such recommendation shall be by a  
11 public vote which results in approval by a majority of the appointed  
12 members present during the presence of a quorum. The board recommenda-  
13 tion shall be in writing via a form provided by the franchise oversight  
14 board and shall include a description of the application, the time and  
15 place of the public hearing on the application, the time and place of  
16 the meeting at which the recommendation was adopted and the vote by  
17 which the recommendation was adopted. The community board may include in  
18 its submission the reasons for the vote and any conditions attached to  
19 its vote.

20 (B) The Aqueduct Redevelopment Community Advisory Board shall consist  
21 of six members, one to be appointed by the governor, one to be appointed  
22 by the mayor of the city of New York, one to be appointed by the senator  
23 representing the senate district where the Aqueduct property is located,  
24 one to be appointed by the assemblymember representing the assembly  
25 district where the Aqueduct property is located, one to be appointed by  
26 the city councilmember representing the district where the Aqueduct  
27 property is located, and one to be appointed by the borough president  
28 where the Aqueduct property is located.

29 § 7. For the avoidance of doubt, all lands vacated by the franchised  
30 corporation at Aqueduct racetrack shall be considered real estate devel-  
31 opment parcels, subject to the restrictions set forth in subparagraph  
32 (i) of paragraph a of subdivision 8 of section 212 of the racing, pari-  
33 mutuel wagering and breeding law.

34 § 8. The opening paragraph of paragraph 3 of subdivision f of section  
35 1612 of the tax law is designated subparagraph (i) and a new subpara-  
36 graph (ii) is added to read as follows:

37 (ii) Notwithstanding subparagraph (i) of this paragraph, in the event  
38 the state provides funds to the franchised corporation for the reno-  
39 vation of Belmont Park racetrack, out of the amount payable to the fran-  
40 chised corporation for capital expenditures pursuant to subparagraph (i)  
41 of this paragraph during any state fiscal year, an amount pursuant to  
42 the repayment agreement between the state and the franchised corporation  
43 shall instead be deposited into the miscellaneous capital projects fund,  
44 New York racing capital improvement fund as required to repay the state  
45 for funds provided for the renovation of Belmont Park racetrack. Any  
46 amount payable to the franchised corporation in any state fiscal year  
47 for capital expenditures pursuant to subparagraph (i) of this paragraph  
48 in excess of the amount pursuant to the repayment agreement between  
49 the state and the franchised corporation shall be deposited pursuant to  
50 subparagraph (i) of this paragraph. Once the state has been fully reim-  
51 bursed for the costs related to the renovation of Belmont Park race-  
52 track, this subparagraph shall no longer apply and subparagraph (i) of  
53 this paragraph shall apply.

54 § 9. The opening paragraph of paragraph 3 of subdivision f-1 of  
55 section 1612 of the tax law is designated subparagraph (i) and a new  
56 subparagraph (ii) is added to read as follows:



(ii) Notwithstanding subparagraph (i) of this paragraph, in the event the state provides funds to the franchised corporation for the renovation of Belmont Park racetrack, and in the event the amount deposited pursuant to subparagraph (ii) of paragraph three of subdivision f of this section is insufficient to make the required repayment pursuant to such subparagraph during any state fiscal year, an amount payable to the franchised corporation for capital expenditures pursuant to subparagraph (i) of this paragraph shall instead be deposited into the miscellaneous capital projects fund, New York racing capital improvement fund to the extent necessary, when combined with the amount set forth in subparagraph (ii) of paragraph three of subdivision f of this section, to make any required repayment of funds provided by the state related to the renovation of Belmont Park racetrack during such fiscal year. Any amount payable to the franchised corporation in any state fiscal year for capital expenditures pursuant to subparagraph (i) of this paragraph in excess of the amount pursuant to the repayment agreement between the state and the franchised corporation shall be deposited pursuant to subparagraph (i) of this paragraph. Once the state has been fully reimbursed for such costs related to the renovation of Belmont Park racetrack, this subparagraph shall no longer apply and subparagraph (i) of this paragraph shall apply.

§ 10. The state comptroller is hereby authorized and directed to loan money in accordance with the provisions set forth in subdivision 5 of section 4 of the state finance law to the miscellaneous capital projects fund, New York racing capital improvement fund.

§ 11. 1. Notwithstanding any other provisions of law to the contrary, the dormitory authority, the urban development corporation, and the New York state thruway authority are hereby authorized to issue personal income tax revenue bonds or notes or state sales tax revenue bonds or notes in one or more series in an aggregate principal amount not to exceed four hundred fifty-five million dollars (\$455,000,000) excluding bonds or notes issued to pay costs of issuance of such bonds or notes and bonds or notes issued to refund or otherwise repay such bonds or notes previously issued, for the purpose of financing the renovation of Belmont Park racetrack.

2. Notwithstanding any other provision of law to the contrary, in order to assist the dormitory authority, urban development corporation, and the New York state thruway authority in undertaking the financing for the renovation of Belmont Park racetrack, the director of the budget is hereby authorized to enter into one or more financing agreements with the dormitory authority, the urban development corporation, and the New York state thruway authority, upon such terms and conditions as the director of the budget and the dormitory authority, the urban development corporation and the New York state thruway authority agree, so as to annually provide to the dormitory authority, the urban development corporation, and the New York state thruway authority, in the aggregate, a sum not to exceed the principal, interest, and related expenses required for such bonds and notes. Any financing agreement entered into pursuant to this section shall provide that the obligation of the state to pay the amount therein provided shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of monies available and that no liability shall be incurred by the state beyond the monies available for such purpose, subject to annual appropriation by the legislature. Any such contract or any payments made or to be made thereunder may be assigned and pledged by the dormitory authority, the urban

1 development corporation, and the New York state thruway authority as  
2 security for such bonds and notes, as authorized by this section.

3 § 12. Notwithstanding any law to the contrary, and in accordance with  
4 section 4 of the state finance law, the comptroller is hereby authorized  
5 and directed in each state fiscal year to transfer, upon request of the  
6 director of the budget, up to the unencumbered balance or an amount up  
7 to twenty-five million eight hundred thousand dollars (\$25,800,000) from  
8 the miscellaneous capital projects fund, New York racing capital  
9 improvement fund to the general fund.

10 § 13. Subparagraph (i) of paragraph a of subdivision 8 of section 212  
11 of the racing, pari-mutuel wagering and breeding law, as added by chap-  
12 ter 18 of the laws of 2008, is amended to read as follows:

13 (i) represent the interests of the state in all real estate develop-  
14 ment proposed for Aqueduct racetrack or real estate development at  
15 Belmont Park racetrack. Any such real estate development shall only be  
16 undertaken pursuant to a competitive process approved by the board,  
17 after consultation with the applicable local advisory boards and consid-  
18 eration of local zoning and planning regulation, and in a manner that  
19 will not adversely impact any historic structure that is included in or  
20 eligible for inclusion in the National or the State Register of Historic  
21 Places, be consistent with any plan approved for such community, and  
22 shall be subject to unanimous approval of the franchise oversight board  
23 and all statutory and regulatory requirements; provided, however, that,  
24 subject to approval of the franchise oversight board and subject to all  
25 statutory and regulatory requirements, the franchised corporation shall  
26 have full powers and rights to develop, redevelop, refurbish, renovate  
27 or make such other improvements, capital expenditures or otherwise, to  
28 the racetracks and the fixtures and improvements thereon consistent with  
29 projects specifically identified in the franchised corporation's  
30 approved track facility improvement plan.

31 The franchise oversight board shall be guided by the goals of ensuring  
32 the continuation of high quality thoroughbred racing at the thoroughbred  
33 racing facilities located within the state, raising revenue for or in  
34 aid or support of education in this state from video lottery gaming at  
35 facilities of the state racing franchise, and maximizing revenue for  
36 governments from pari-mutuel wagering on racing at facilities of the  
37 state racing franchise. In consideration of capital expenditure  
38 approval, the board shall ensure adequate funds are dedicated for main-  
39 tenance and repair of existing structures at Saratoga racetrack and  
40 Belmont Park racetrack and for the improvement of onsite backstretch  
41 personnel housing and quality of life.

42 § 14. This act shall take effect immediately; provided, that the  
43 amendments to section 212 of the racing, pari-mutuel wagering and breed-  
44 ing law made by sections five, six and thirteen of this act shall be  
45 deemed repealed as provided by chapter 354 of the laws of 2005, as  
46 amended.

47 PART Y

48 Intentionally Omitted

49 PART Z

50 Intentionally Omitted

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## PART AA

Intentionally Omitted

## PART BB

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 EE of chapter 59 of the laws of 2022, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the commission for a license so to do. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. No license shall be issued by the commission authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility and for account wagering licensees that do not operate either a simulcast facility that is open to the public within the state of New York or a licensed racetrack within the state, twenty thousand dollars per year payable by the licensee to the commission for deposit into the general fund. Except as provided in this section, the commission shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The commission may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences, homes or other areas technically capable of receiving the simulcast signal shall be a contracting party; (iii) the distribution of revenues shall be subject to contractual agreement of the parties except that statutory payments to non-contracting parties, if any, may not be reduced; provided, however, that nothing herein to the contrary shall prevent a track from televising its races on an irregular basis primarily for promotional or marketing purposes as found by the commission. For purposes of this paragraph, the provisions of section one thousand thirteen of this article shall not apply. Any agreement authorizing an in-home simulcasting experiment commencing prior to May fifteenth, nineteen hundred ninety-five, may, and all its terms, be extended until June thirtieth, two thousand [~~twenty-three~~] ~~twenty-four~~; provided, however, that any party to such agreement may elect to terminate such agreement

1 upon conveying written notice to all other parties of such agreement at  
2 least forty-five days prior to the effective date of the termination,  
3 via registered mail. Any party to an agreement receiving such notice of  
4 an intent to terminate, may request the commission to mediate between  
5 the parties new terms and conditions in a replacement agreement between  
6 the parties as will permit continuation of an in-home experiment until  
7 June thirtieth, two thousand [~~twenty-three~~] twenty-four; and (iv) no  
8 in-home simulcasting in the thoroughbred special betting district shall  
9 occur without the approval of the regional thoroughbred track.

10 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section  
11 1007 of the racing, pari-mutuel wagering and breeding law, as amended by  
12 section 2 of part EE of chapter 59 of the laws of 2022, is amended to  
13 read as follows:

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

26 § 3. The opening paragraph of subdivision 1 of section 1014 of the  
27 racing, pari-mutuel wagering and breeding law, as amended by section 3  
28 of part EE of chapter 59 of the laws of 2022, is amended to read as  
29 follows:

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

48 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering  
49 and breeding law, as amended by section 4 of part EE of chapter 59 of  
50 the laws of 2022, is amended to read as follows:

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

1 § 5. The opening paragraph of subdivision 1 of section 1016 of the  
2 racing, pari-mutuel wagering and breeding law, as amended by section 5  
3 of part EE of chapter 59 of the laws of 2022, is amended to read as  
4 follows:

5 The provisions of this section shall govern the simulcasting of races  
6 conducted at thoroughbred tracks located in another state or country on  
7 any day during which a franchised corporation is not conducting a race  
8 meeting in Saratoga county at Saratoga thoroughbred racetrack until June  
9 thirtieth, two thousand [~~twenty-three~~] twenty-four. Every off-track  
10 betting corporation branch office and every simulcasting facility  
11 licensed in accordance with section one thousand seven that have entered  
12 into a written agreement with such facility's representative horsemen's  
13 organization as approved by the commission, one thousand eight or one  
14 thousand nine of this article shall be authorized to accept wagers and  
15 display the live full-card simulcast signal of thoroughbred tracks  
16 (which may include quarter horse or mixed meetings provided that all  
17 such wagering on such races shall be construed to be thoroughbred races)  
18 located in another state or foreign country, subject to the following  
19 provisions; provided, however, no such written agreement shall be  
20 required of a franchised corporation licensed in accordance with section  
21 one thousand seven of this article:

22 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel  
23 wagering and breeding law, as amended by section 6 of part EE of chapter  
24 59 of the laws of 2022, is amended to read as follows:

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

41 § 7. Section 32 of chapter 281 of the laws of 1994, amending the  
42 racing, pari-mutuel wagering and breeding law and other laws relating to  
43 simulcasting, as amended by section 7 of part EE of chapter 59 of the  
44 laws of 2022, is amended to read as follows:

45 § 32. This act shall take effect immediately and the pari-mutuel tax  
46 reductions in section six of this act shall expire and be deemed  
47 repealed on July 1, [~~2023~~] 2024; provided, however, that nothing  
48 contained herein shall be deemed to affect the application, qualifica-  
49 tion, expiration, or repeal of any provision of law amended by any  
50 section of this act, and such provisions shall be applied or qualified  
51 or shall expire or be deemed repealed in the same manner, to the same  
52 extent and on the same date as the case may be as otherwise provided by  
53 law; provided further, however, that sections twenty-three and twenty-  
54 five of this act shall remain in full force and effect only until May 1,  
55 1997 and at such time shall be deemed to be repealed.



1 § 8. Section 54 of chapter 346 of the laws of 1990, amending the  
2 racing, pari-mutuel wagering and breeding law and other laws relating to  
3 simulcasting and the imposition of certain taxes, as amended by section  
4 8 of part EE of chapter 59 of the laws of 2022, is amended to read as  
5 follows:

6 § 54. This act shall take effect immediately; provided, however,  
7 sections three through twelve of this act shall take effect on January  
8 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-  
9 ing law, as added by section thirty-eight of this act, shall expire and  
10 be deemed repealed on July 1, [~~2023~~] 2024; and section eighteen of this  
11 act shall take effect on July 1, 2008 and sections fifty-one and fifty-  
12 two of this act shall take effect as of the same date as chapter 772 of  
13 the laws of 1989 took effect.

14 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,  
15 pari-mutuel wagering and breeding law, as amended by section 9 of part  
16 EE of chapter 59 of the laws of 2022, is amended to read as follows:

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

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

53 For the period April first, two thousand one through December thirty-  
54 first, two thousand [~~twenty-three~~] twenty-four, such tax on all wagers  
55 shall be one and six-tenths percent, plus, in each such period, twenty  
56 percent of the breaks. Payment to the New York state thoroughbred breed-

1 ing and development fund by such franchised corporation shall be one-  
2 half of one percent of total daily on-track pari-mutuel pools resulting  
3 from regular, multiple and exotic bets and three percent of super exotic  
4 bets and for the period April first, two thousand one through December  
5 thirty-first, two thousand [~~twenty-three~~] twenty-four, such payment  
6 shall be seven-tenths of one percent of regular, multiple and exotic  
7 pools.

8 § 10. This act shall take effect immediately.

9 PART CC

10 Intentionally Omitted

11 PART DD

12 Section 1. Paragraphs (a) and (b) of subdivision 4 of section 189 of  
13 the state finance law, as amended by section 8 of part A of chapter 56  
14 of the laws of 2013, are amended to read as follows:

15 (a) This section shall apply to [~~claims, records, or statements made~~  
16 ~~under the~~] tax law violations only if: (i) the net income or sales of  
17 the person against whom the action is brought equals or exceeds one  
18 million dollars for any taxable year subject to any action brought  
19 pursuant to this article; and (ii) the damages pleaded in such action  
20 exceed three hundred and fifty thousand dollars; [~~and (iii) the person~~  
21 ~~is alleged to have violated paragraph (a), (b), (c), (d), (e), (f) or~~  
22 ~~(g) of subdivision one of this section; provided, however, that nothing~~  
23 ~~in this subparagraph shall be deemed to modify or restrict the applica-~~  
24 ~~tion of such paragraphs to any act alleged that relates to a violation~~  
25 ~~of the tax law] provided that for purposes of applying paragraph (h) of  
26 subdivision one of this section to a tax law violation, the person is  
27 alleged to have knowingly concealed or knowingly and improperly avoided  
28 an obligation to pay taxes to the state or a local government.~~

29 (b) The attorney general shall consult with the commissioner of the  
30 department of taxation and finance prior to filing or intervening in any  
31 action under this article that is based on [~~the filing of false claims,~~  
32 ~~records or statements made under the tax law] a violation of the tax  
33 law. If the state declines to participate or to authorize participation  
34 by a local government in such an action pursuant to subdivision two of  
35 section one hundred ninety of this article, the qui tam plaintiff must  
36 obtain approval from the attorney general before making any motion to  
37 compel the department of taxation and finance to disclose tax records.~~

38 § 2. Nothing in this act shall be deemed to modify or restrict the  
39 application of paragraph (a), (b), (c), (d), (e), (f) or (g) of subdivi-  
40 sion 1 of section 189 of the state finance law to any act alleged that  
41 relates to a violation of the tax law.

42 § 3. This act shall take effect immediately and in any pending case  
43 shall apply to any tax obligation knowingly concealed or knowingly  
44 avoided before, on, or after such effective date; provided however, that  
45 in any action filed after such effective date, this act shall only apply  
46 to tax obligations knowingly concealed or knowingly avoided on or after  
47 May 1, 2020.

48 PART EE

1 Section 1. Subparagraph 9 of paragraph (e) of subdivision 1 of section  
2 210-B of the tax law is REPEALED.

3 § 2. This act shall take effect immediately and apply to credit claims  
4 filed on or after the effective date of this act.

5 PART FF

6 Section 1. Paragraph 1 of subdivision (b) of section 37 of the tax  
7 law, as amended by section 1 of part V of chapter 60 of the laws of  
8 2016, is amended to read as follows:

9 (1) for the first five hundred thousand gallons of:

10 i. beer[~~, cider, wine or liquor~~] produced in this state in the taxable  
11 year, the credit shall equal fourteen cents per gallon; [and]

12 ii. cider, artificially carbonated sparkling cider, and natural spar-  
13 kling cider, containing more than three and two-tenths per centum of  
14 alcohol by volume produced in this state in the taxable year, the credit  
15 shall equal fourteen cents per gallon;

16 iii. still wine, artificially carbonated sparkling wine, and natural  
17 sparkling wine produced in this state in the taxable year, the credit  
18 shall equal thirty cents per gallon;

19 iv. liquors containing not more than twenty-four per centum of alcohol  
20 by volume, but more than two per centum of alcohol per volume, produced  
21 in this state in the taxable year, the credit shall equal two dollars  
22 and fifty-four cents per gallon;

23 v. liquors containing more than zero per centum of alcohol by volume,  
24 but not more than two per centum of alcohol by volume, produced in this  
25 state in the taxable year, the credit shall equal zero;

26 vi. all other liquors produced in this state in the taxable year, the  
27 credit shall equal six dollars and forty-four cents per gallon; and

28 § 2. This act shall take effect immediately and shall apply to taxable  
29 years beginning on or after January 1, 2023.

30 PART GG

31 Section 1. Paragraphs (a) and (f) of subdivision 1 of section 209-B of  
32 the tax law, paragraph (a) as amended and paragraph (f) as added by  
33 section 7 of part A of chapter 59 of the laws of 2014, are amended to  
34 read as follows:

35 (a) For the privilege of exercising its corporate franchise, or of  
36 doing business, or of employing capital, or of owning or leasing proper-  
37 ty in a corporate or organized capacity, or of maintaining an office, or  
38 of deriving receipts from activity in the metropolitan commuter trans-  
39 portation district, for all or any part of its taxable year, there is  
40 hereby imposed on every corporation, other than a New York S corpo-  
41 ration, subject to tax under section two hundred nine of this article,  
42 or any receiver, referee, trustee, assignee or other fiduciary, or any  
43 officer or agent appointed by any court, who conducts the business of  
44 any such corporation, a tax surcharge, in addition to the tax imposed  
45 under section two hundred nine of this article, to be computed at the  
46 rate of seventeen percent of the tax imposed under such section for such  
47 taxable years or any part of such taxable years ending on or after  
48 December thirty-first, nineteen hundred eighty-three and before January  
49 first, two thousand fifteen after the deduction of any credits otherwise  
50 allowable under this article, at the rate of twenty-five and six-tenths  
51 percent of the tax imposed under such section for taxable years begin-  
52 ning on or after January first, two thousand fifteen and before January

1 first, two thousand sixteen before the deduction of any credits other-  
2 wise allowable under this article, [~~and~~] at the rate determined by the  
3 commissioner pursuant to paragraph (f) of this subdivision of the tax  
4 imposed under such section, for taxable years beginning on or after  
5 January first, two thousand sixteen and before January first, two thou-  
6 sand twenty-four before the deduction of any credits otherwise allowable  
7 under this article, and at the rate of thirty percent of the tax imposed  
8 under such section for taxable years beginning on or after January  
9 first, two thousand twenty-four before the deduction of any credits  
10 otherwise allowable under this article. However, such rate of tax  
11 surcharge shall be applied only to that portion of the tax imposed under  
12 section two hundred nine of this article before the deduction of any  
13 credits otherwise allowable under this article which is attributable to  
14 the taxpayer's business activity carried on within the metropolitan  
15 commuter transportation district; and provided, further, the surcharge  
16 computed on a combined report shall include a surcharge on the fixed  
17 dollar minimum tax for each member of the combined group subject to the  
18 surcharge under this subdivision.

19 (f) The commissioner shall determine the rate of tax for taxable years  
20 beginning on or after January first, two thousand sixteen and before  
21 January first, two thousand twenty-four by adjusting the rate for taxa-  
22 ble years beginning on or after January first, two thousand fifteen and  
23 before January first, two thousand sixteen as necessary to ensure that  
24 the receipts attributable to such surcharge, as impacted by [~~the~~] part A  
25 of chapter fifty-nine of the laws of two thousand fourteen [~~which added~~  
26 ~~this paragraph~~], will meet and not exceed the financial projections for  
27 state fiscal year two thousand sixteen-two thousand seventeen, as  
28 reflected in state fiscal year two thousand fifteen-two thousand sixteen  
29 enacted budget. The commissioner shall annually determine the rate ther-  
30 eafter, for taxable years beginning before January first, two thousand  
31 twenty-four, using the financial projections for the state fiscal year  
32 that commences in the year for which the rate is to be set as reflected  
33 in the enacted budget for the fiscal year commencing on the previous  
34 April first.

35 § 2. This act shall take effect immediately.

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

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