

STATE OF NEW YORK

4506

2023-2024 Regular Sessions

IN ASSEMBLY

February 16, 2023

Introduced by M. of A. EPSTEIN, GALLAGHER, DICKENS -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to imposing a tax on corporate lobbying expenditures

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

1 Section 1. The tax law is amended by adding a new article 9-B to read
2 as follows:

ARTICLE 9-B

TAX ON LOBBYING EXPENDITURES BY CORPORATIONS

Section 230. Definitions.

231. Imposition of tax.

7 § 230. Definitions. For the purposes of this article, the following
8 terms shall have the following meanings:

9 1. "Corporation" shall include a corporation, association, company,
10 partnership, limited liability company, joint stock company, or any
11 other entity subject to tax under article nine or nine-A of this chap-
12 ter.

13 2. "Lobbying" or "lobbying activities" shall have the same meaning as
14 defined by section one-c of the legislative law.

15 § 231. Imposition of tax. 1. For the privilege of exercising the
16 financial backing of lobbying activities in this state, every foreign or
17 domestic corporation that contributes one hundred thousand dollars or
18 greater in any fiscal quarter towards lobbying activities in this state
19 shall annually pay a tax on such lobbying activities, upon the basis of
20 such lobbying expenditures, for such fiscal calendar year or part there-
21 of, on a report which shall be filed, on or before the fifteenth day of
22 April next succeeding the close of each such year, for taxable years
23 beginning after January first, two thousand twenty-four, or, in the case
24 of a corporation which reports on the basis of a fiscal year, on or
25 before the fifteenth day of the fourth month after the close of such

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

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1 fiscal year, for taxable years beginning on or after January first, two
2 thousand twenty-four, shall be paid as hereinafter provided:

3 (a) A corporation that expends less than one hundred thousand dollars
4 in any fiscal quarter towards lobbying activities in this state, shall
5 not be subject to tax under this section for such fiscal quarter.

6 (b) A corporation that expends one hundred thousand dollars or greater
7 in any fiscal quarter towards lobbying activities in this state, shall
8 be subject to a tax of thirty-five percent of such expenditure in excess
9 over one hundred thousand dollars.

10 (c) A corporation that expends five hundred thousand dollars or great-
11 er in any fiscal quarter towards lobbying activities in this state,
12 shall be subject to a tax of twenty-five percent of such expenditure in
13 excess over five hundred thousand dollars, in addition to the tax
14 imposed under paragraph (b) of this subdivision.

15 (d) A corporation that expends one million dollars or greater in any
16 fiscal quarter towards lobbying activities in this state, shall be
17 subject to a tax of fifteen percent of such expenditure in excess over
18 one million dollars, in addition to the tax imposed by paragraphs (b)
19 and (c) of this subdivision.

20 2. Any receiver, referee, trustee, assignee or other fiduciary, or any
21 officer or agent appointed by any court, who conducts the business of
22 any corporation, shall be subject to the tax imposed by this article in
23 the same manner and to the same extent as if the business were conducted
24 by the agents or officers of such corporation. A dissolved corporation
25 which continues to conduct business shall also be subject to the tax
26 imposed by this article.

27 § 2. This act shall take effect immediately.