STATE OF NEW YORK

8256

2023-2024 Regular Sessions

IN ASSEMBLY

November 15, 2023

Introduced by M. of A. VANEL -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a reduced sales tax rate for certain small businesses

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

Section 1. The tax law is amended by adding a new section 1105-C to read as follows:

§ 1105-C. Reduced tax rate for small businesses. (a) Notwithstanding any provision of this article to the contrary, the taxes imposed by subdivision (a) of section eleven hundred five of this part on the receipts from every retail sale of tangible personal property shall be paid at the rate of two and one-half percent where such sale is made by a qualified small business. The provisions of this subdivision shall not apply to the sale of alcoholic beverages, cigarettes and tobacco products as defined in section four hundred seventy of this chapter, firearms, rifles and shotguns as such terms are defined in 18 U.S.C. 921, motor fuel or diesel motor fuel, and any other product or class of product which have a rate of tax set explicitly by this chapter for such product or class of products.

(b) As used in this section, the term "qualified small business" shall mean a business which is resident in this state, independently owned and operated, not dominant in its field, employs fifty or less persons, and earned less than an amount in gross sales revenue, as to be determined by the commissioner, in the preceding year.

§ 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law and shall apply to taxable years commencing on and after such date.

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

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