STATE OF NEW YORK

10179

IN ASSEMBLY

May 10, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Fitzpatrick) -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law and the tax law, in relation to qualification for and establishment of a building construction, demolition and repair work insurance credit

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

Section 1. The insurance law is amended by adding a new section 3463 to read as follows:

§ 3463. Qualification of building construction, demolition and repair work insurance for tax credit.

(a) The superintendent of financial services is hereby authorized to promulgate regulations relating to the certification of policies of insurance which qualify for certain work under sections two hundred forty and two hundred forty-one of the labor law, provided for under section twenty-three-a of the tax law. Such tax credit shall only apply against a portion of the premium paid for coverage under subsection (b) of this section as determined by the superintendent.

(b) In order to qualify for the building construction, demolition and repair work credit provided under section twenty-three-a of the tax law, insurance shall be personal injury liability insurance or property damage liability insurance, as such terms are defined by section one thousand one hundred thirteen of this chapter, and shall contain coverage for claims including third party claims for construction site bodily injury and property damage resulting from the application of construction workers injured from an elevation risk while performing work covered under section two hundred forty or two hundred forty-one of the labor law, or substantially similar coverage.

(c) The tax credit for building construction, demolition and repair work insurance under section twenty-three-a of the tax law shall be limited to any contractor performing work involving the erection, demolition, repairing, altering, painting, cleaning or pointing of a building or structure provided such contractor obtains a certificate of completion from a training program on work and job site safety training

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

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which shall include proper planning, supervision, training and use of fall protection. Such training program shall be approved by the commissioner. A list of approved programs shall be made available to such contractors. The commissioner shall promulgate rules and regulations setting forth the criteria for approval of such programs, the procedures to be followed in applying for such approval and any other rules or regulations as shall be necessary and proper to effectuate the purposes of this section. The certificate of completion shall be valid for a period of two years.

§ 2. The tax law is amended by adding a new section 23-a to read as follows:

§ 23-a. Building construction, demolition and repair work insurance credit.

(a) Allowance of credit; general. A taxpayer subject to tax under article nine, nine-A or twenty-two of this chapter shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (b) of this section. The amount of such credit shall be equal to the lesser of ten thousand dollars or twenty-five percent of the premiums paid for coverage as determined by the superintendent of financial services pursuant to section thirty-four hundred sixty-three of the insurance law.

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

(1) Article 9: Section 187-s;

(2) Article 9-A: Section 210-B, subdivision 61; and

(3) Article 22: Section 606, subdivision (qqq).

§ 3. The tax law is amended by adding a new section 187-s to read as follows:

§ 187-s. Building construction, demolition and repair work insurance credit. 1. Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section twenty-three-a of this chapter, against the taxes imposed by section one hundred eighty-three and one hundred eighty-four of this article. Provided, however, that the amount of such credit allowable against the tax imposed by section one hundred eighty-four shall be the excess of the amount of such credit over the amount of any credit allowed by this section against the tax imposed by section one hundred eighty-three of this article.

2. Application of this article. In no event shall the credit under this section be allowed in an amount which will reduce the tax payable less than the applicable minimum tax fixed by section one hundred eighty-three of this article. If, however, the amount of credit allowable under this section for any taxable year reduces the tax to such amount, any amount of credit not deductible in such taxable year shall be treated as an overpayment of tax to be refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, notwithstanding the provisions of subsection (c) of section one thousand eighty-eight of this chapter, no interest shall be paid thereon.

§ 4. Section 210-B of the tax law is amended by adding a new subdivision 61 to read as follows:

61. Building construction, demolition and repair work insurance credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section twenty-three-a of this chapter, against the tax imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less

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

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

(qqq) Building construction, demolition and repair work insurance credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section twenty-three-a of this chapter, against the tax imposed by this article.

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

§ 6. This act shall take effect on the one hundred eightieth day after it shall have become a law.