

STATE OF NEW YORK

1232

2023-2024 Regular Sessions

IN ASSEMBLY

January 13, 2023

Introduced by M. of A. LUPARDO, STIRPE, DICKENS, WOERNER, FAHY, GIBBS, JACOBSON, ZEBROWSKI, JACKSON -- Multi-Sponsored by -- M. of A. GUNTHER, SIMON -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to exempting certain property and services used in the cultivation of cannabis for adult-use from sales and compensating use taxes

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

1 Section 1. Paragraph 6 of subdivision (a) of section 1115 of the tax
2 law, as amended by section 5 of part B of chapter 63 of the laws of
3 2000, is amended to read as follows:

4 (6) (A) Tangible personal property, whether or not incorporated in a
5 building or structure, for use or consumption predominantly [~~either~~] in
6 the production for sale of tangible personal property by farming [~~or~~],
7 in a commercial horse boarding operation, or [~~in both~~] in the culti-
8 vation of cannabis for adult-use pursuant to an adult-use cultivator
9 license, an adult-use cooperative license, or a microbusiness license
10 pursuant to article four of the cannabis law.

11 (B) With respect to the exemption of motor vehicles under this para-
12 graph, (i) use of a motor vehicle [~~either~~] in the production phase of
13 farming [~~or~~], in a commercial horse boarding operation, or [~~in both~~] in
14 the cultivation of cannabis for adult-use pursuant to an adult-use
15 cultivator license, an adult-use cooperative license, or a microbusiness
16 license pursuant to article four of the cannabis law shall be defined as
17 any use of the motor vehicle on property [~~either~~] farmed [~~or~~], used in a
18 commercial horse boarding operation, or [~~both~~] used in the cultivation
19 of cannabis for adult-use pursuant to an adult-use cultivator license,
20 an adult-use cooperative license, or a microbusiness license pursuant to
21 article four of the cannabis law, by the motor vehicle purchaser or user
22 or in direct and uninterrupted trips between properties farmed or used

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

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1 in such operation[~~7, or both,~~ or cultivation by the motor vehicle
2 purchaser or user, and (ii) "predominantly" shall mean that more than
3 fifty percent of the motor vehicle's use is either in the production
4 phase of farming [~~or~~], in a commercial horse boarding operation, or in
5 [~~both~~] the cultivation of cannabis for adult-use pursuant to an adult-
6 use cultivator license, an adult-use cooperative license, or a micro-
7 business license pursuant to article four of the cannabis law. The
8 percentage of such vehicle's use [~~either~~] in the production phase of
9 farming [~~or~~], in a commercial horse boarding operation, or in [~~both~~] the
10 cultivation of cannabis for adult-use pursuant to an adult-use cultiva-
11 tor license, an adult-use cooperative license, or a microbusiness
12 license pursuant to article four of the cannabis law, may be computed
13 either on the basis of mileage or hours of use, at the discretion of the
14 motor vehicle purchaser or user. A person may purchase a motor vehicle
15 qualifying for exemption under this paragraph without payment of tax
16 imposed by section eleven hundred five or eleven hundred ten of this
17 article by furnishing the vendor a properly completed exemption certif-
18 icate promulgated by the commissioner; and such purchaser may register
19 such vehicle or apply for a certificate of title for such vehicle with
20 the commissioner of motor vehicles or a county clerk, without payment of
21 such taxes, by furnishing such a properly completed certificate to such
22 commissioner or clerk.
23 § 2. This act shall take effect immediately.