STATE OF NEW YORK

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3077

2023-2024 Regular Sessions

IN ASSEMBLY

February 2, 2023
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Introduced by M. of A. BYRNES, DeSTEFANO, MORINELLO, TAGUE -- read once
    and referred to the Committee on Economic Development

AN ACT to amend the economic development law, the tax law and part V of
    chapter 61 of the laws of 2011, amending the economic development law,
    the tax law and the real property tax law relating to establishing the
    economic transformation and facility redevelopment program and provid-
    ing tax benefits under that program, in relation to the economic
    transformation and facility redevelopment program and the effective-
    ness thereof

    **The People of the State of New York, represented in Senate and Assem-
    bly, do enact as follows:**

 1   Section 1. Subdivision 11 of section 400 of the economic development
 2 law, as amended by section 3 of part QQ of chapter 60 of the laws of
 3 2016, paragraph (a) as amended by section 2 of part JJ of chapter 59 of
 4 the laws of 2021, is amended to read as follows:
 5   11. "Closed facility" means:
 6   (a) a correctional facility, as defined in paragraph (a) of subdivi-
 7 sion four of section two of the correction law, that has been selected
 8 by the governor of the state of New York for closure after April first,
 9 two thousand eleven but no later than March thirty-first, two thousand
10 twenty-six; or
11   (b) **a correctional facility, as defined in paragraph (a) of subdivi-
12 sion four of section two of the correction law, that has been selected
13 by the governor of the state of New York for closure after April first,
14 two thousand nineteen but no later than March thirty-first, two thousand
15 twenty-seven; or**
16   **(c)** a facility operated by the office of children and family services
17 under article nineteen-G of the executive law that is closed pursuant to
18 authority granted to such office in a chapter of the laws of two thou-
19 sand eleven; or

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

                                                        LBD03952-01-3

1   [(c)] (d) which has been closed provided that the commissioner of
2   correctional services or the commissioner of the office of children and
3   family services has notified the commissioner of such closure; or
4   [(d)] (e) a facility previously owned by the state, and when operated,
5   was operated as a psychiatric facility pursuant to section 7.17 of the
6   mental hygiene law, and located within the metropolitan commuter trans-
7   portation district but outside New York city.
8   § 2. Subdivision 1 of section 402 of the economic development law, as
9   amended by section 4 of part QQ of chapter 60 of the laws of 2016, is
10   amended to read as follows:
11   1. A business entity must submit a completed application as prescribed
12   by the commissioner by the later of (a) the date that is three years
13   after the date of the closure of the closed facility located in the
14   economic transformation area in which the business entity would operate
15   or (b) January first, two thousand fifteen. Provided however, in the
16   case of a closed facility described in paragraph [(d)] (e) of subdivi-
17   sion eleven of section four hundred of this article, a business entity
18   must submit a completed application as prescribed by the commissioner by
19   September first, two thousand sixteen. **Notwithstanding the foregoing, in**
20   **the case of a closed facility, as described pursuant to paragraph (b) of**
21   **subdivision eleven of section four hundred of this article, a business**
22   **entity shall submit a completed application as prescribed by the commis-**
23   **sioner by September first, two thousand twenty-four.**
24   § 3. Paragraph 1 of subdivision (h) of section 35 of the tax law, as
25   amended by section 5 of part QQ of chapter 60 of the laws of 2016, is
26   amended to read as follows:
27   (1) A taxpayer which meets the requirements in this section shall be
28   eligible to claim a credit on qualified investments with respect to the
29   project for which the certificate of eligibility is issued. The credit
30   shall be equal to ten percent of the cost or other basis for federal
31   income tax purposes of the qualified investment at a closed facility.
32   Provided however, for purposes of this credit only, a taxpayer that is
33   the owner of a closed facility described in paragraph [(d)] (e) of
34   subdivision eleven of section four hundred of the economic development
35   law, shall be allowed to include in its cost or other basis of the qual-
36   ified investment at the closed facility, any demolition costs incurred
37   at such closed facility. Those demolition costs shall be limited to the
38   following costs: (i) asbestos removal costs, (ii) rental of demolition
39   equipment, (iii) personnel costs to operate the demolition equipment,
40   (iv) costs to remove and dispose of demolition debris, (v) the costs of
41   any permits, licenses and insurance necessary for the demolition. The
42   total amount of investment tax credit allowed for all eligible partic-
43   ipants under this subdivision for qualified investments located at each
44   closed facility shall not exceed eight million dollars. The credit shall
45   be equal to six percent of the cost or other basis for federal income
46   tax purposes for all other qualified investments, but the credit allowed
47   to a taxpayer may not exceed four million dollars.
48   § 4. Section 12 of part V of chapter 61 of the laws of 2011, amending
49   the economic development law, the tax law and the real property tax law
50   relating to establishing the economic transformation and facility rede-
51   velopment program and providing tax benefits under that program, as
52   amended by section 1 of part JJ of chapter 59 of the laws of 2021, is
53   amended to read as follows:
54   § 12. This act shall take effect immediately and shall expire and be
55   deemed repealed December 31, [2026] 2028.

1   § 5. This act shall take effect immediately; provided, that the amend-
2 ments to article 18 of the economic development law made by sections one
3 and two of this act shall not affect the repeal of such article and
4 shall be deemed repealed therewith; provided, further that the amend-
5 ments to section 35 of the tax law made by section three of this act
6 shall not affect the repeal of such section and shall be deemed repealed
7 therewith.