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:

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

ARTICLE 9-B

TAX ON LOBBYING EXPENDITURES BY CORPORATIONS

Section 230. Definitions.

231. Imposition of tax.

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

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

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

§ 231. Imposition of tax. 1. For the privilege of exercising the financial backing of lobbying activities in this state, every foreign or domestic corporation that contributes one hundred thousand dollars or greater in any fiscal quarter towards lobbying activities in this state shall annually pay a tax on such lobbying activities, upon the basis of such lobbying expenditures, for such fiscal calendar year or part thereof, on a report which shall be filed, on or before the fifteenth day of April next succeeding the close of each such year, for taxable years beginning after January first, two thousand twenty-four, or, in the case of a corporation which reports on the basis of a fiscal year, on or 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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fiscal year, for taxable years beginning on or after January first, two thousand twenty-four, shall be paid as hereinafter provided:

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

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

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

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

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

§ 2. This act shall take effect immediately.