STATE OF NEW YORK

543

2023-2024 Regular Sessions

IN SENATE

January 5, 2023

Introduced by Sens. GIANARIS, KRUEGER -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law and the administrative code of the city of New York, in relation to treatment of gains from qualified opportunity zones in calculating taxable income

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

1	Section 1. Paragraph (b) of subdivision 9 of section 208 of the tax
2	law is amended by adding a new subparagraph 28 to read as follows:
3	(28) the amount of gain excluded from federal gross income for the
4	taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
5	section 1400Z-2 of the internal revenue code.
б	§ 2. Subdivision 9 of section 208 of the tax law is amended by adding
7	a new paragraph (u) to read as follows:
8	(u) For tax years beginning on or after January first, two thousand
9	twenty-three, upon the sale or exchange of property with respect to
10	which the taxpayer has made the election under subparagraph (c) of para-
11	graph (1) of subsection (a) of section 1400Z-2 of the internal revenue
12	code, the basis of such property under this article shall be determined
13	as if the taxpayer had not made such election.
14	§ 3. Subsection (b) of section 612 of the tax law is amended by adding
15	a new paragraph 44 to read as follows:
16	(44) the amount of gain excluded from federal gross income for the
17	taxable year by subparagraph (c) of paragraph (1) of subsection (a) of
18	section 1400Z-2 of the internal revenue code.
19	§ 4. Section 612 of the tax law is amended by adding a new subsection
20	(y) to read as follows:
21	(y) Qualified opportunity zones. For tax years beginning on or after
22	January first, two thousand twenty-three, upon the sale or exchange of
23	property with respect to which the taxpayer has made the election under

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

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subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 1 of the internal revenue code, the basis of such property under this 2 article shall be determined as if the taxpayer had not made such 3 election. 4 5 § 5. Paragraph 2 of subdivision (b) of section 1503 of the tax law is 6 amended by adding a new subparagraph (AA) to read as follows: 7 (AA) the amount of gain excluded from federal gross income for the 8 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of 9 section 1400Z-2 of the internal revenue code. 10 § 6. Section 1503 of the tax law is amended by adding a new subdivi-11 sion (d) to read as follows: 12 (d) For tax years beginning on or after January first, two thousand twenty-three, upon the sale or exchange of property with respect to 13 which the taxpayer has made the election under subparagraph (c) of para-14 15 graph (1) of subsection (a) of section 14002-2 of the internal revenue code, the basis of such property under this article shall be determined 16 17 as if the taxpayer had not made such election. § 7. Paragraph (a) of subdivision 8 of section 11-602 of the adminis-18 19 trative code of the city of New York is amended by adding a new subpara-20 graph 17 to read as follows: 21 (17) the amount of gain excluded from federal gross income for the 22 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code. 23 § 8. Section 11-602 of the administrative code of the city of New York 24 25 is amended by adding a new subdivision 11 to read as follows: 11. For tax years beginning on or after January first, two thousand 26 27 twenty-three, upon the sale or exchange of property with respect to 28 which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 14002-2 of the internal revenue 29 30 code, the basis of such property under this article shall be determined 31 as if the taxpayer had not made such election. 32 § 9. Paragraph (a) of subdivision 8 of section 11-652 of the adminis-33 trative code of the city of New York is amended by adding a new subpara-34 graph 18 to read as follows: (18) the amount of gain excluded from federal gross income for the 35 36 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of 37 section 1400Z-2 of the internal revenue code. § 10. Subdivision 8 of section 11-652 of the administrative code of 38 39 the city of New York is amended by adding a new paragraph (u) to read as 40 follows: 41 (u) For tax years beginning on or after January first, two thousand 42 twenty-three, upon the sale or exchange of property with respect to 43 which the taxpayer has made the election under subparagraph (c) of para-44 graph (1) of subsection (a) of section 1400Z-2 of the internal revenue 45 code, the basis of such property under this article shall be determined 46 as if the taxpayer had not made such election. 47 § 11. Subdivision (b) of section 11-1712 of the administrative code of 48 the city of New York is amended by adding a new paragraph 40 to read as follows: 49 50 (40) the amount of gain excluded from federal gross income for the 51 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of 52 section 1400Z-2 of the internal revenue code. § 12. Section 11-1712 of the administrative code of the city of New 53 54 York is amended by adding a new subdivision (w) to read as follows: (w) For tax years beginning on or after January first, two thousand 55 twenty-three, upon the sale or exchange of property with respect to 56

1	which the taxpayer has made the election under subparagraph (c) of para-
2	graph (1) of subsection (a) of section 1400Z-2 of the internal revenue
3	code, the basis of such property under this article shall be determined
4	as if the taxpayer had not made such election.
5	§ 13. This act shall take effect immediately and shall apply to taxa-
б	ble years beginning on or after January 1, 2023.