

# STATE OF NEW YORK

7346

2023-2024 Regular Sessions

## IN SENATE

May 19, 2023

Introduced by Sen. PARKER -- 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, in relation to providing tax deductions for expenditures made to purchase, construct, renovate or remodel child care facilities

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

1 Section 1. The tax law is amended by adding a new section 188-a to  
2 read as follows:

3 § 188-a. Deduction for creation or improvement of child care facili-  
4 ties. A taxpayer operating a child care facility within the state prima-  
5 rially for the children of such taxpayer's employees, shall be allowed a  
6 deduction from taxable income for any expenditure made to acquire,  
7 construct, renovate or remodel such child care facility or the equipment  
8 therein. The deduction created by this section shall be deducted over  
9 twenty-four months commencing in the month in which such acquisition,  
10 construction, renovation or remodeling is put into service. The  
11 deduction provided by this section shall be in lieu of any other allow-  
12 ance for the exhaustion of such property used in a trade or business  
13 held for the production of income, including a reasonable allowance for  
14 obsolescence pursuant to section one hundred sixty-seven or one hundred  
15 eighty-eight of the internal revenue code.

16 § 2. Subdivision 9 of section 208 of the tax law is amended by adding  
17 two new paragraphs (u) and (v) to read as follows:

18 (u) A taxpayer operating a child care facility for profit, shall be  
19 allowed a deduction from entire net income for any expenditure made to  
20 acquire, construct, renovate or remodel such child care facility or the  
21 equipment therein. The deduction created by this paragraph shall be  
22 deducted over sixty months commencing in the month in which such acqui-  
23 sition, construction, renovation or remodeling is put into service.

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

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1 (v) A taxpayer operating a child care facility within the state prima-  
2 rily for the children of such taxpayer's employees, shall be allowed a  
3 deduction from the entire net income for any expenditure made to  
4 acquire, construct, renovate or remodel such child care facility or the  
5 equipment therein. The deduction created by this paragraph shall be  
6 deducted over twenty-four months commencing in the month in which such  
7 acquisition, construction, renovation or remodeling is put into service.  
8 The deduction provided by this paragraph shall be in lieu of any other  
9 allowance for the exhaustion of such property used in a trade or busi-  
10 ness held for the production of income, including a reasonable allowance  
11 for obsolescence pursuant to section one hundred sixty-seven or one  
12 hundred eighty-eight of the internal revenue code.

13 § 3. Subsection (c) of section 612 of the tax law is amended by adding  
14 two new paragraphs 17 and 18 to read as follows:

15 (17) Any expenditure made by a taxpayer operating a child care facili-  
16 ty for profit, to acquire, construct, renovate or remodel such child  
17 care facility or the equipment therein. The deduction created by this  
18 paragraph shall be deducted over sixty months commencing in the month in  
19 which such acquisition, construction, renovation or remodeling is put  
20 into service.

21 (18) Any expenditure made by a taxpayer operating a child care facili-  
22 ty within the state primarily for the children of such taxpayer's  
23 employees, to acquire, construct, renovate or remodel such child care  
24 facility or the equipment therein. The deduction created by this para-  
25 graph shall be deducted over twenty-four months commencing in the month  
26 in which such acquisition, construction, renovation or remodeling is put  
27 into service. The deduction provided by this paragraph shall be in lieu  
28 of any other allowance for the exhaustion of such property used in a  
29 trade or business held for the production of income, including a reason-  
30 able allowance for obsolescence pursuant to section one hundred sixty-  
31 seven or one hundred eighty-eight of the internal revenue code.

32 § 4. This act shall take effect immediately.