STATE OF NEW YORK

7306

2025-2026 Regular Sessions

IN SENATE

April 9, 2025

Introduced by Sen. CLEARE -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to making certain taxpayers exempt from the city personal income tax of the city of New York

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

Section 1. Paragraphs 1, 2 and 3 of subsection (b) of section 1304 of the tax law, as amended by chapter 345 of the laws of 2023, are amended to read as follows:

(1) Resident married individuals filing joint returns and resident surviving spouses. The tax under this section for each taxable year on the city taxable income of every city resident married individual who makes a single return jointly with [~~his or her~~] **their** spouse under subsection (b) of section thirteen hundred six of this article and on the city taxable income of every city resident surviving spouse shall be determined in accordance with the following table:

For taxable years beginning after two thousand twenty-six:

If the city taxable income is:	The tax is:
Not over [~~$21,600~~]	~~1.18% of the city taxable income~~
~~Over $21,600 but not over~~] $45,000	~~$255 plus 1.435% of excess~~ [~~over $21,600~~] **0% of the city taxable income**
Over $45,000 but not over $90,000	$591 plus 1.455% of excess over $45,000
Over $90,000	$1,245 plus 1.48% of excess over $90,000

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

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(2) Resident heads of households. The tax under this section for each taxable year on the city taxable income of every city resident head of a household shall be determined in accordance with the following table:

For taxable years beginning after two thousand twenty-six:

If the city taxable income is:	The tax is:
Not over [~~$14,400~~ ~~Over $14,400 but not over $30,000~~] $32,500	~~1.18% of the city taxable income $170 plus 1.435% of excess~~ [~~over $14,400~~] 0% of the city taxable income
Over [~~$30,000~~] $32,500 but not over $60,000	$394 plus 1.455% of excess over [~~$30,000~~] $32,500
Over $60,000	$830 plus 1.48% of excess over $60,000

(3) Resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts. The tax under this section for each taxable year on the city taxable income of every city resident individual who is not a city resident married individual who makes a single return jointly with [~~his or her~~] their spouse under subsection (b) of section thirteen hundred six of this article or a city resident head of household or a city resident surviving spouse, and on the city taxable income of every city resident estate and trust shall be determined in accordance with the following table:

For taxable years beginning after two thousand twenty-six:

If the city taxable income is:	The tax is:
Not over [~~$12,000~~ ~~Over $12,000 but not over $25,000~~] $32,500	~~1.18% of the city taxable income $142 plus 1.435% of excess~~ [~~over $12,000~~] 0% of the city taxable income
Over [~~$25,000~~] $32,500 but not over $50,000	$328 plus 1.455% of excess over [~~$25,000~~] $32,500
Over $50,000	$692 plus 1.48% of excess over $50,000

§ 2. Paragraph 1 of subsection (a) of section 1304-B of the tax law, as amended by chapter 345 of the laws of 2023, is amended to read as follows:

(1) In addition to any other taxes authorized by this article, any city imposing such taxes is hereby authorized and empowered to adopt and amend local laws imposing in any such city for each taxable year beginning after nineteen hundred ninety but before two thousand twenty-seven, an additional tax on the city taxable income of every city resident individual, estate and trust, to be calculated for each taxable year as follows: (i) for each taxable year beginning after nineteen hundred ninety but before nineteen hundred ninety-nine, at the rate of fourteen percent of the sum of the taxes for each such taxable year determined pursuant to section thirteen hundred four and section thirteen hundred four-A of this article; and (ii) for each taxable year beginning after nineteen hundred ninety-eight, at the rate of fourteen percent of the tax for such taxable year determined pursuant to such section thirteen hundred four; provided, however, that any taxable income with a tax rate

of zero percent shall not be subject to any additional tax pursuant to this section.

§ 3. Subparagraph (A) of paragraph 1, subparagraph (A) of paragraph 2 and subparagraph (A) of paragraph 3 of subsection (a) of section 1304-D of the tax law, as added by section 1 of part B of chapter 63 of the laws of 2003, are amended to read as follows:

(A) For taxable years beginning in two thousand five:

If the city taxable income is:	The tax is:
Not over [~~$21,600~~	~~2.907% of the city taxable income~~
~~Over $21,600 but not over~~] $45,000	~~$628 plus 3.534% of excess over $21,600~~] **0% of the city taxable income**
Over $45,000 but not over $90,000	$1,455 plus 3.591% of excess over $45,000
Over $90,000 but not over $150,000	$3,071 plus 3.648% of excess over $90,000
Over $150,000 but not over $500,000	$5,260 plus 4.05% of excess over $150,000
Over $500,000	$19,435 plus 4.45% of excess over $500,000

(A) For taxable years beginning in two thousand five:

If the city taxable income is:	The tax is:
Not over [~~$14,400~~	~~2.907% of the city taxable income~~
~~Over $14,400 but not over $30,000~~] **$32,500**	~~$419 plus 3.534% of excess over $14,400~~] **0% of the city taxable income**
Over [~~$30,000~~] **$32,500** but not over $60,000	$970 plus 3.591% of excess over [~~$30,000~~] **$32,500**
Over $60,000 but not over $125,000	$2,047 plus 3.648% of excess over $60,000
Over $125,000 but not over $500,000	$4,418 plus 4.05% of excess over $125,000
Over $500,000	$19,606 plus 4.45% of excess over $500,000

(A) For taxable years beginning in two thousand five:

If the city taxable income is:	The tax is:
Not over [~~$12,000~~	~~2.907% of the city taxable income~~
~~Over $12,000 but not over $25,000~~] **$32,500**	~~$349 plus 3.534% of excess over $12,000~~] **0% of the city taxable income**
Over [~~$25,000~~] **$32,500** but not over $50,000	$808 plus 3.591% of excess over [~~$25,000~~] **$32,500**
Over $50,000 but not over $100,000	$1,706 plus 3.648% of excess over $50,000
Over $100,000 but not over $500,000	$3,530 plus 4.05% of excess over $100,000
Over $500,000	$19,730 plus 4.45% of excess over $500,000

§ 4. This act shall take effect immediately.