STATE OF NEW YORK

2036

2025-2026 Regular Sessions

IN ASSEMBLY

January 14, 2025

Introduced by M. of A. MAHER, E. BROWN, BENDETT, DeSTEFANO, LEMONDES, BRABENEC, McDONOUGH -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to providing a tax incentive to a taxpayer that grows base ingredients used for the production of beer

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 section 37-a to read as follows:

§ 37-a. Supplier of beer production ingredients tax credit. (a) General. A taxpayer subject to tax under article nine-A or twenty-two of this chapter shall be allowed a credit against such taxes in the amount specified in subdivision (b) of this section and pursuant to the provisions referenced in subdivision (c) of this section.

(b)(1) The amount of the credit per taxpayer per taxable year (or pro rata share of earned credit in the case of a partnership) shall be equal to the cost borne by such taxpayer for the agricultural production of ingredients necessary for the production of beer. Such costs shall include the cost of seed, fertilizer, equipment, utilities, and employees' salaries.

(2) The credit allowed under this section shall only be applicable to that portion of a taxpayer's crop that is sold directly to a distributor registered under article eighteen of this chapter.

(3) The credit allowed under this section shall only apply to the base ingredients necessary to produce beer. This credit shall not be allowed for any ingredient or product that is used for the purpose of adding flavor, color, or altering some other characteristic of the beer.

(c) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) Article 9-A: Section 210-B, subdivision 61.

(2) Article 22: Section 606, subsection (qqq).

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

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§ 2. Section 210-B of the tax law is amended by adding a new subdivision 61 to read as follows:

61. Supplier of beer production ingredients tax credit. A taxpayer shall be allowed a credit, to be computed as provided in section thirty-seven-a of this chapter, against the tax imposed by this article. If the amount of the credit allowed under this subdivision for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this chapter, provided, however, that no interest shall be paid thereon.

§ 3. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (lii) to read as follows:

(lii) Supplier of beer production ingredients tax credit under subsection (qqq)	**Amount of credit under subdivision sixty-one of section two hundred ten-B**

§ 4. Section 606 of the tax law is amended by adding a new subsection (qqq) to read as follows:

(qqq) Supplier of beer production ingredients tax credit. A taxpayer shall be allowed a credit, to be computed as provided in section thirty-seven-a of this chapter, against the tax imposed by this article. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 5. This act shall take effect immediately and shall apply to taxable years commencing on or after such effective date.