STATE OF NEW YORK

8233

2025-2026 Regular Sessions

IN ASSEMBLY

May 5, 2025

Introduced by M. of A. STIRPE -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing a cannabis processor tax credit

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 496-f to read as follows:

§ 496-f. Cannabis processor credit. (a) Definitions. For the purposes of this section, the following definitions shall apply:

(1) "licensed processor" shall mean a taxpayer subject to tax under article nine-A or twenty-two of this chapter, that is registered pursuant to this article, and that produced concentrated cannabis or cannabis edible products sold to at least one licensed retailer during calendar year two thousand twenty-three;

(2) "licensed retailer," shall have the same meaning as the term "retailer" as defined in section three of the cannabis law; and

(3) "cannabis potency tax" shall mean the tax imposed by subdivision (a) of section four hundred ninety-three of this article.

(b) Cannabis processor tax credit authorized. A licensed processor shall be allowed a refundable credit against the cannabis potency tax in the amount specified in subdivision (c) of this section.

(c) Calculation of tax credit. (1) The amount of the tax credit authorized in subdivision (b) of this section per taxpayer shall be equivalent to the licensed processor's cannabis potency tax liability for the year two thousand twenty-three, multiplied by three, but shall not exceed four hundred thousand dollars. If the licensed processor is a partnership or New York S corporation, the aggregate credit allowed to all partners or shareholders of such entity shall not exceed four hundred thousand dollars.

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

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(2) No licensed processor shall receive this tax credit unless the licensed processor files or has filed returns showing the amount of cannabis potency tax due in calendar year two thousand twenty-three.

(3) Any outstanding cannabis potency tax owed by the licensed processor shall be deducted from the tax credit before application or disbursement.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2025.