

STATE OF NEW YORK

4661

2025-2026 Regular Sessions

IN SENATE

February 10, 2025

Introduced by Sen. SKOUFIS -- 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 requiring third-party verification of an application to receive the Empire State film production credit and the Empire State film post production credit

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

1 Section 1. Subdivision (a) of section 24 of the tax law is amended by
2 adding a new paragraph 6 to read as follows:

3 (6) (i) For the purposes of this paragraph, the term "approved certi-
4 fied public accountants" shall mean independent, third party, in-state
5 certified public accountants approved by the department of economic
6 development to provide third-party verification services required under
7 this paragraph.

8 (ii) On or after January first, two thousand twenty-six, a taxpayer
9 which is a qualified film production company, or a qualified independent
10 film production company, or which is a sole proprietor of or a member of
11 a partnership which is a qualified film production company or a quali-
12 fied independent film production company, and which is subject to tax
13 under articles nine-A or twenty-two of this chapter, shall, as a condi-
14 tion for the granting of the credit as part of the taxpayer's final
15 application for the credit, submit to the department of economic devel-
16 opment a third-party verification of their final application performed
17 by approved certified public accountants. The costs of such third-party
18 verification shall not be claimed as an expense for the purposes of this
19 section.

20 (iii) The department of economic development shall maintain a list of
21 certified public accountants which shall be utilized to provide the
22 third-party verification services pursuant to this paragraph. The
23 department of economic development shall develop procedures and perform-

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

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1 ance standards for such certified public accountants and any certified
2 public accountants failing to meet the requirements of such procedures
3 and performance standards shall be removed from the list immediately.

4 § 2. Subdivision (a) of section 31 of the tax law, as added by section
5 12 of part Q of chapter 57 of the laws of 2010, is amended by adding a
6 new paragraph 7 to read as follows:

7 (7) (i) For the purposes of this paragraph, the term "approved certi-
8 fied public accountants" shall mean independent, third party, in-state
9 certified public accountants approved by the department of economic
10 development to provide third-party verification services required under
11 this paragraph.

12 (ii) On or after January first, two thousand twenty-six, a taxpayer
13 which is a qualified film production company, and which is subject to
14 tax under articles nine-A or twenty-two of this chapter, unless eligible
15 for the credit under section twenty-four of this article with respect to
16 the qualified film, shall, as a condition for the granting of the credit
17 as part of the taxpayer's final application for the credit, submit to
18 the department of economic development a third-party verification of
19 their final application performed by approved certified public account-
20 ants. The costs of such third-party verification shall not be claimed as
21 an expense for the purposes of this section.

22 (iii) The department of economic development shall maintain a list of
23 certified public accountants which shall be utilized to provide the
24 third-party verification services pursuant to this paragraph. The
25 department of economic development shall develop procedures and perform-
26 ance standards for such certified public accountants and any certified
27 public accountants failing to meet the requirements of such procedures
28 and performance standards shall be removed from the list immediately.

29 § 3. This act shall take effect immediately.