

STATE OF NEW YORK

9509--B

IN ASSEMBLY

January 18, 2018

March 12, 2018

A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT intentionally omitted (Part A); to amend the real property tax law, in relation to making the STAR income verification program mandatory; to amend the tax law, in relation to the calculation of income for basic STAR purposes; to repeal subparagraphs (v) and (vi) of paragraph (b) of subdivision 4, paragraphs (b) and (c) of subdivision 5 and paragraph (c) of subdivision 6 of section 425 of the real property tax law relating to the school tax relief (STAR) exemption; and to repeal section 171-o of the tax law relating to income verification for a city with a population of one million or more (Part B); to amend the real property law, in relation to real property transfer reports (Part C); to amend the real property law, in relation to reports of manufactured housing park owners (Part D); to amend the general municipal law, the education law, the state finance law, the real property tax law and the tax law, in relation to making technical corrections to various statutes impacting property taxes; and to repeal subsection (bbb) of section 606 of the tax law, section 3-d of the general municipal law and section 2023-b of the education law, relating thereto (Part E); intentionally omitted (Part F); to amend the real property tax law, in relation to assessment ceilings; and to amend chapter 475 of the laws of 2013, amending the real property tax law relating to assessment ceilings for local public utility mass real property, in relation to the effectiveness thereof (Part G); intentionally omitted (Part H); to amend the tax law, in relation to providing for employee wage reporting consistency between the department of taxation and finance and the department of labor (Part I); to amend the tax law, in relation to sales and compensating use taxes imposed on food and beverages sold by restaurants and similar establishments (Part J); to amend the tax law, in relation to allowing sharing with the comptroller information regarding unwarranted fixed and final debt (Part K); intentionally omitted (Part L); to amend the tax law, in relation to establishing a conditional tax on carried interest (Part M); inten-

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

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A. 9509--B

2

tionally omitted (Part N); to amend the tax law and the administrative code of the city of New York, in relation to the definition of resident for tax purposes of the personal income tax (Part O); to amend the tax law, in relation to the empire state child credit (Part P); to amend the tax law, in relation to extending the hire a veteran credit for an additional two years (Part Q); to amend the labor law and the tax law, in relation to enhancing the New York youth jobs program (Part R); intentionally omitted (Part S); to amend the tax law, in relation to extending the real estate transfer tax statute of limitations for refunds from two to three years and providing for consistent joint liability treatment within the real estate transfer tax (Part T); to amend the tax law, in relation to the taxation of cigars (Part U); to amend the tax law and the administrative code of the city of New York, in relation to sales and use taxes on gas and electric service; and repealing section 1105-C of the tax law relating thereto (Part V); to amend the tax law, in relation to exempting from sales and use tax certain veterinary drugs and medicines and removing the refund/credit therefor (Part W); to amend the tax law, in relation to providing relief from sales tax liability for certain partners of a limited partnership and members of a limited liability company (Part X); to amend the tax law, in relation to exempting items of food and drink when sold from certain vending machines from the sales and compensating use tax (Part Y); to amend part A of chapter 61 of the laws of 2017, amending the tax law relating to the imposition of sales and compensating use taxes in certain counties, in relation to extending the revenue distribution provisions for the additional rates of sales and use tax of Genesee, Monroe, Onondaga and Orange counties (Part Z); to amend the tax law, in relation to imposing an internet fairness conformity tax and requiring non-collecting sellers to provide specified information to New York purchasers and to the commissioner of taxation and finance; and to amend the tax law, in relation to marketplace providers (Part AA); to amend the tax law, in relation to imposing a health tax on vapor products (Part BB); to amend the tax law, in relation to the imposition of an opioid epidemic surcharge; and to amend the state finance law, in relation to establishing the opioid prevention, treatment and recovery account (Part CC); intentionally omitted (Part DD); to amend the racing, pari-mutuel wagering and breeding law, in relation to adjusting the franchise payment, and authorizing night races under certain circumstances; creating an equine drug testing advisory committee (Subpart A); and to amend the racing, pari-mutuel wagering and breeding law, in relation to the creation of a local advisory board for the Belmont racetrack facility (Subpart B) (Part EE); intentionally omitted (Part FF); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 281 of the laws of 1994 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and chapter 346 of the laws of 1990 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part GG); intentionally omitted (Part HH); to amend the tax law, in relation to commissions paid to the operator of a video lottery facil-

A. 9509--B

3

ity; to repeal certain provisions of such law relating thereto; and providing for the repeal of certain provisions upon expiration thereof (Part II); to amend the tax law and the administrative code of the city of New York, in relation to addressing changes made to the internal revenue code by Public Law 115-97 (Part JJ); to amend the tax law, in relation to federal gross income and federal deductions allowed pursuant to the internal revenue code; and to amend the administrative code of the city of New York, in relation to the taxation of business corporations (Part KK); to amend the education law and the general municipal law, in relation to authorizing school districts, counties and New York city to establish charitable funds; and to amend the real property tax law, in relation to authorizing such localities to provide a credit against real property taxes for such contributions (Part LL); to amend the tax law and the state finance law, in relation to the imposition of an employer compensation expense tax (Part MM); to amend the tax law, in relation to income tax reform (Part NN); to amend the tax law, in relation to freezing the property tax relief credit for taxable years 2018 and 2019 (Part OO); to amend the public housing law, in relation to the transfer of the low-income housing credit (Part PP); to amend the tax law, the state finance law and the public authorities law, in relation to implementing a transit sustainability improvement surcharge on transportation services and transportation network companies (Part QQ); to amend the tax law, the state finance law and the public authorities law, in relation to imposing an additional transfer tax on conveyances for consideration of five million dollars or more (Part RR); to amend the tax law, in relation to extending certain tax rates (Part SS); to amend the tax law, in relation to extending certain property rehabilitation credits (Part TT); to amend the administrative code of the city of New York and the public authorities law, in relation to a tax on the transfer of certain real property within three years of the prior transfer of such property (Part UU); to amend the tax law, in relation to the amount of credit for cider, wine, and liquor under the alcoholic beverage production credit (Part VV); to amend the tax law, in relation to business tax surcharges on certain corporations and providers of certain services (Part WW); to amend the tax law and the administrative code of the city of New York, in relation to extending the high income charitable contribution deduction limitation (Part XX); to amend the tax law, in relation to imposing a tax on taxicab trips and HAIL vehicle trips that enter, originate, terminate or originate and terminate in the transit sustainability improvement zone (Part YY); to amend the tax law, in relation to the enforcement of delinquent tax liabilities by means of the suspension of licenses to operate a motor vehicle (Part ZZ); to amend chapter 59 of the laws of 2014, amending the tax law relating to a musical and theatrical production credit, in relation to extending the provisions thereof (Part AAA); to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York Jockey Inquiry Compensation Fund, Inc. (Part BBB); to amend the public housing law, in relation to the authority of certain municipalities to enact a tax on tobacco products other than cigarettes and on vapor products; and to amend the public housing law, in relation to the authority of the city of New York to impose a tax on tobacco products other than cigarettes and on vapor products (Part CCC); to amend the tax law, in relation to establishing a personal income tax credit for preceptor clinicians who provide preceptor instruction; and providing for the repeal of such provisions upon the expiration there-

A. 9509--B

4

of (Part DDD); and to amend the tax law, in relation to providing insurance corporations with a tax credit for investments made in rural business growth funds; and to amend the state finance law, in relation to establishing the New York agriculture and rural jobs fund (Part EEE)

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

1 Section 1. This act enacts into law major components of legislation
2 which are necessary to implement the state fiscal plan for the 2018-2019
3 state fiscal year. Each component is wholly contained within a Part
4 identified as Parts A through EEE. The effective date for each partic-
5 ular provision contained within such Part is set forth in the last
6 section of such Part. Any provision in any section contained within a
7 Part, including the effective date of the Part, which makes a reference
8 to a section "of this act", when used in connection with that particular
9 component, shall be deemed to mean and refer to the corresponding
10 section of the Part in which it is found. Section three of this act sets
11 forth the general effective date of this act.

12 PART A

13 Intentionally Omitted

14 PART B

15 Section 1. Subparagraph (ii) of paragraph (b) of subdivision 4 of
16 section 425 of the real property tax law, as amended by section 3 of
17 part E of chapter 83 of the laws of 2002, is amended to read as follows:
18 (ii) The term "income" as used herein shall mean the "adjusted gross
19 income" for federal income tax purposes as reported on the applicant's
20 federal or state income tax return for the applicable income tax year,
21 subject to any subsequent amendments or revisions, reduced by distrib-
22 utions, to the extent included in federal adjusted gross income,
23 received from an individual retirement account and an individual retire-
24 ment annuity; provided that if no such return was filed for the applica-
25 ble income tax year, "income" shall mean the adjusted gross income that
26 would have been so reported if such a return had been filed. Provided
27 further, that effective with exemption applications for final assessment
28 rolls to be completed in two thousand nineteen, where an income-eligi-
29 bility determination is wholly or partly based upon the income of one or
30 more individuals who did not file a return for the applicable income tax
31 year, then in order for the application to be considered complete, each
32 such individual must file a statement with the department showing the
33 source or sources of his or her income for that income tax year, and the
34 amount or amounts thereof, that would have been reported on such a
35 return if one had been filed. Such statement shall be filed at such
36 time, and in such form and manner, as may be prescribed by the depart-
37 ment, and shall be subject to the secrecy provisions of the tax law to
38 the same extent that a personal income tax return would be. The depart-
39 ment shall make such forms and instructions available for the filing of
40 such statements. The local assessor shall upon the request of a taxpayer
41 assist such taxpayer in the filing of the statement with the department.