

STATE OF NEW YORK

6303

IN SENATE

(Prefiled)

January 6, 2016

Introduced by Sen. GOLDEN -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

AN ACT to amend the administrative code of the city of New York, in relation to establishing a credit for beer produced within the city of New York by a taxpayer that is registered as a distributor under article eighteen of the tax law

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

1 Section 1. Section 11-503 of the administrative code of the city of
2 New York is amended by adding a new subdivision (p) to read as follows:
3 (p) Beer production credit. (1) A taxpayer subject to tax under this
4 chapter, that is registered as a distributor under article eighteen of
5 the tax law, and that produces sixty million or fewer gallons of beer in
6 this state in the taxable year, shall be allowed a credit against the
7 tax imposed by this chapter in the amount specified in paragraph two of
8 this subdivision. Provided, however, that no credit shall be allowed for
9 any beer produced in excess of fifteen million five hundred thousand
10 gallons in the taxable year. Notwithstanding anything to the contrary,
11 if a partnership is allowed a credit under this subdivision, a partner
12 in such partnership shall not be allowed a credit under this subdivision
13 for any taxable year that includes the last day of the taxable year for
14 which the partnership is allowed such credit.
15 (2) The amount of the credit per taxpayer per taxable year for each
16 gallon of beer produced in the city of New York on or after January
17 first, two thousand sixteen shall be determined as follows:
18 (i) for the first five hundred thousand gallons of beer produced in
19 the city of New York in the taxable year, the credit shall equal twelve
20 cents per gallon; and
21 (ii) for each gallon of beer produced in the city of New York in the
22 taxable year in excess of five hundred thousand gallons, the credit
23 shall equal three and eighty-six one hundredths cents per gallon. The
24 credit allowed under this subdivision for any taxable year shall be
25 treated as an overpayment of tax to be credited or refunded in accord-

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

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1 ance with the provisions of section 11-526 of this chapter; provided,
2 however, that notwithstanding the provisions of section 11-528 of this
3 chapter, no interest shall be paid thereon.

4 § 2. Section 11-604 of the administrative code of the city of New York
5 is amended by adding a new subdivision 22 to read as follows:

6 22. Beer production credit. (a) A taxpayer subject to tax under this
7 subchapter, that is registered as a distributor under article eighteen
8 of the tax law, and that produces sixty million or fewer gallons of beer
9 in this state in the taxable year, shall be allowed a credit against the
10 tax imposed by this subchapter in the amount specified in paragraph (b)
11 of this subdivision. Provided, however, that no credit shall be allowed
12 for any beer produced in excess of fifteen million five hundred thousand
13 gallons in the taxable year. Notwithstanding anything to the contrary,
14 if a partnership is allowed a credit under subdivision (p) of section
15 11-503 of this title, a taxpayer that is a partner in such partnership
16 shall not be allowed a credit under this subdivision for any taxable
17 year that includes the last day of the taxable year for which the part-
18 nership is allowed such credit.

19 (b) The amount of the credit per taxpayer per taxable year for each
20 gallon of beer produced in the city of New York on or after January
21 first, two thousand sixteen shall be determined as follows:

22 (1) for the first five hundred thousand gallons of beer produced in
23 the city of New York in the taxable year, the credit shall equal twelve
24 cents per gallon; and

25 (2) for each gallon of beer produced in the city of New York in the
26 taxable year in excess of five hundred thousand gallons, the credit
27 shall equal three and eighty-six one hundredths cents per gallon. In no
28 event shall the credit allowed under this subdivision for any taxable
29 year reduce the tax due for such year to less than the amount prescribed
30 in clause four of subparagraph (a) of paragraph E of subdivision one of
31 this section. However, if the amount of credit allowed under this subdi-
32 vision for any taxable year reduces the tax to such amount, any amount
33 of credit thus not deductible in such taxable year shall be treated as
34 an overpayment of tax to be credited or refunded in accordance with the
35 provisions of section 11-677 of this chapter; provided, however, that
36 notwithstanding the provisions of section 11-679 of this chapter, no
37 interest shall be paid thereon.

38 § 3. This act shall take effect immediately, and shall apply to taxa-
39 ble years beginning on or after January 1, 2016.