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

AN ACT to amend the tax law and the administrative code of the city of New York, in relation to extending the itemized deduction limit on individuals with income over ten million dollars (Part A); to amend part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, in relation to the effectiveness thereof (Part B); to amend the tax law, in relation to making technical corrections to the metropolitan commuter transportation mobility tax (Part C); to amend the tax law, in relation to the restriction upon issuing notices for a tax year that is the subject of a pending petition filed with the division of tax appeals (Part D); to amend the executive law and the tax law, in relation to creating the commercial security tax credit program (Part E); to amend section 23 of part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness of certain provisions relating to mandatory electronic filing of tax documents (Part F); to repeal subdivision (e) of section 23 of part U of chapter 61 of the laws of 2011 relating to the expiration of the segregated sales tax account provisions (Part G); to amend the tax law, in relation to the filing of amended returns under article 28 thereof (Part H); to amend the tax law, in relation to exempting from sales and use tax certain tangible personal property and services (Part I); to amend the tax law, in relation to extending the sales tax exemption for certain sales made through vending machines (Part J); to amend the real property law and the tax law, in relation to short-term residential rental of private dwellings in certain municipalities (Part K); to amend the tax law, in relation to the taxation of adult-use cannabis products (Part L); intentionally omitted (Part M); intentionally omitted (Part N); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Catskill off-track betting corporation's capital acquisition fund and the Capital off-track betting corporation's capital acquisition fund (Part O); to amend the

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [ ] is old law to be omitted.
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 59 of the laws of 2023 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 59 of the laws of 2023 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 P); to amend the racing, pari-mutuel wagering and breeding law, in relation to the New York Jockey Injury Compensation Fund, Inc. (Part Q); to amend the racing, pari-mutuel wagering and breeding law, in relation to establishing a Cornell racehorse safety program; and providing for the expiration of certain provisions (Part R); to amend the tax law, in relation to the corporate franchise tax rate (Part S); to amend the tax law, in relation to increasing the personal income tax rate for certain income levels (Part T); to amend the tax law, in relation to establishing phaseout rates for the earned income tax credit (Part U); to amend the tax law, in relation to eligibility for the earned income tax credit (Part V); to amend the tax law, in relation to a payment of a supplemental empire state child credit (Part W); to amend the tax law, in relation to adjusting the homeowner tax rebate credit for STAR recipients (Part X); to amend the tax law, in relation to allowing a tax exemption with respect to fire extinguishers and fire, heat and carbon monoxide alarms purchased for residential use (Part Y); to amend the tax law, in relation to exempting school supplies from sales tax during a specified period each year (Part Z); to amend the tax law, in relation to exempting oral care products from the tax on retail sales (Part AA); to amend the tax law, in relation to establishing a sales tax exemption for energy storage (Part BB); and to amend the tax law, in relation to creating a work opportunity tax credit; and providing for the repeal of such provisions upon expiration thereof (Part CC)

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 which are necessary to implement the state fiscal plan for the 2024-2025 state fiscal year. Each component is wholly contained within a Part identified as Parts A through CC. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.
Section 1. Paragraph 2 of subsection (g) of section 615 of the tax law, as amended by section 1 of part Q of chapter 59 of the laws of 2019, is amended to read as follows:

(2) With respect to an individual whose New York adjusted gross income is over ten million dollars, the New York itemized deduction shall be an amount equal to twenty-five percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and ending before two thousand [twenty-five] thirty.

§ 2. Paragraph 2 of subdivision (g) of section 11-1715 of the administrative code of the city of New York, as amended by section 2 of part Q of chapter 59 of the laws of 2019, is amended to read as follows:

(2) With respect to an individual whose New York adjusted gross income is over ten million dollars, the New York itemized deduction shall be an amount equal to twenty-five percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and ending before two thousand [twenty-five] thirty.

§ 3. This act shall take effect immediately.

PART B

Section 1. Section 12 of part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, as amended by section 1 of part O of chapter 59 of the laws of 2019, is amended to read as follows:

§ 12. This act shall take effect immediately; provided, however, that

(i) section one of this act shall apply to all disclosure statements described in paragraph 1 of subdivision (a) of section 25 of the tax law, as added by section one of this act, that were required to be filed with the internal revenue service at any time with respect to "listed transactions" as described in such paragraph 1, and shall apply to all disclosure statements described in paragraph 1 of subdivision (a) of section 25 of the tax law, as added by section one of this act, that were required to be filed with the internal revenue service with respect to "reportable transactions" as described in such paragraph 1, other than "listed transactions", in which a taxpayer participated during any taxable year for which the statute of limitations for assessment has not expired as of the date this act shall take effect, and shall apply to returns or statements described in such paragraph 1 required to be filed by taxpayers (or persons as described in such paragraph) with the commissioner of taxation and finance on or after the sixtieth day after this act shall have become a law; and

(ii) sections two through four and seven through nine of this act shall apply to any tax liability for which the statute of limitations on assessment has not expired as of the date this act shall take effect; and

(iii) provided, further, that the provisions of this act, except section five of this act, shall expire and be deemed repealed July 1, [2024] 2029; provided, that, such expiration and repeal shall not affect any requirement imposed pursuant to this act.

§ 2. This act shall take effect immediately.

PART C
Section 1. The opening paragraph of paragraph 2 of subsection (a) of section 801 of the tax law, as amended by section 1 of part N of chapter 59 of the laws of 2012, is amended to read as follows:

(A) For individuals, the tax is imposed at a rate of thirty-four hundredths (.34) percent of the net earnings from self-employment of individuals that are attributable to the MCTD, in the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester, if such earnings attributable to the MCTD exceed fifty thousand dollars for the tax year.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2024.

PART D

Section 1. Paragraph 2 of subsection (c) and paragraph 4 of subsection (d) of section 689 of the tax law, paragraph 2 of subsection (c) as amended by chapter 40 of the laws of 1964 and paragraph 4 of subsection (d) as amended by chapter 28 of the laws of 1987, are amended to read as follows:

(2) the taxpayer has not previously filed with the tax commission a timely petition under subsection (b) of this section for the same taxable year unless the petition under this subsection relates to a separate claim for credit or refund properly filed under subsection (f) of section six hundred eighty-seven of this part or relates to a refund or credit first claimed on an amended return for the taxable year, and

(4) Restriction on further notices of deficiency. -- If the taxpayer files a petition with the tax commission under this section, no notice of deficiency under section six hundred eighty-one of this part may thereafter be issued by the tax commission for the same taxable year tax return, except in case of fraud or with respect to a change or correction required to be reported under section six hundred fifty-nine of this article.

§ 2. Paragraph 2 of subsection (c) and paragraph 4 of subsection (d) of section 1089 of the tax law, paragraph 2 of subsection (c) as added by chapter 188 of the laws of 1964 and paragraph 4 of subsection (d) as amended by chapter 817 of the laws of 1987, are amended to read as follows:

(2) the taxpayer has not previously filed with the tax commission a timely petition under subsection (b) of this section for the same taxable year unless the petition under this subsection relates to a separate claim for credit or refund properly filed under subsection (f) of section one thousand eighty-seven of this article or relates to a refund or credit first claimed on an amended return for the taxable year, and

(4) Restriction on further notices of deficiency. --- If the taxpayer files a petition with the tax commission under this section, no notice of deficiency under section one thousand eighty-one of this article may thereafter be issued by the tax commission for the same taxable year tax return, except in case of fraud or with respect to an increase or decrease in federal taxable income or federal alternative minimum taxable income or federal tax or a federal change or correction or renegotiation, or computation or recomputation of tax, which is treated in the same manner as if it were a deficiency for federal income tax purposes, required to be reported under subdivision three of section two hundred eleven[, or under section two hundred nineteen-bb or under section two hundred nineteen-zz] of this chapter.
§ 3. This act shall take effect immediately and apply to taxable years beginning on or after January 1, 2024.

PART E

Section 1. The executive law is amended by adding a new section 845-e to read as follows:

§ 845-e. Commercial security tax credit program. 1. Definitions. For the purposes of this section:

(a) "Certificate of tax credit" means the document issued to a business entity by the division after the division has verified that the business entity has met all applicable eligibility criteria in subdivision two of this section. The certificate shall specify the exact amount of the tax credit under this section that a business entity may claim, pursuant to subdivision five of this section, and other information as required by the department of taxation and finance.

(b) "Qualified business" means a business with twenty-five or fewer total employees that operates one or more physical retail business locations open to the public in New York state that incurs costs related to protection against retail theft of goods through retail theft prevention measures.

(c) "Qualified retail theft prevention measure expenses" means any combination of retail theft prevention measure costs paid or incurred by a qualified business during the taxable year that cumulatively exceed three thousand dollars for each New York retail location.

(d) "Retail theft prevention measure" means (i) the use of security officers as defined in paragraph (e) of this subdivision, (ii) security cameras, (iii) perimeter security lighting, (iv) interior or exterior locking or hardening measures, (v) alarm systems, (vi) access control systems, or (vii) other appropriate anti-theft devices as determined by the division to be eligible under this section.

(e) "Security officers" means security officers, registered under article seven-A of the general business law, responsible for the security and theft deterrence in a qualified business, whether employed directly by such business or indirectly through a contractor.

2. Eligibility criteria. To be eligible for a tax credit under the commercial security tax credit program, an eligible business must:

(a) be a qualified business required to file a tax return pursuant to articles nine, nine-A or twenty-two of the tax law;

(b) have qualified retail theft prevention measure expenses that exceed three thousand dollars for each New York retail location during the taxable year;

(c) provide a certification in a manner and form prescribed by the commissioner that the business entity participates in a community anti-theft partnership as established by the division between businesses and relevant local law enforcement agencies; and

(d) may not owe past due state taxes or local property taxes unless the business entity is making payments and complying with an approved binding payment agreement entered into with the taxing authority.

3. Application and approval process. (a) A business entity must submit a complete application as prescribed by the commissioner by October thirty-first of each year.

(b) The commissioner shall establish procedures for business entities to submit applications. As part of the application, each business entity must:
(i) provide evidence of eligibility in a form and manner prescribed by
the commissioner;
(ii) agree to allow the department of taxation and finance to share
the business entity’s tax information with the division. However, any
information shared as a result of this program shall not be available
for disclosure or inspection under the state freedom of information law
pursuant to article six of the public officers law;
(iii) allow the division and its agents access to any and all books
and records the division may require to confirm eligibility; and
(iv) agree to provide any additional information required by the divi-
sion relevant to this section.
4. Certificate of tax credit. After reviewing a business entity’s
completed final application and determining that a business entity meets
the eligibility criteria as set forth in this section, the division may
issue to that business entity a certificate of tax credit. All applica-
tions will be processed by the division in the order they are received
and certificates of tax credit may be issued in amounts that, in the
aggregate, do not exceed the annual cap as set forth in subdivision
seven of this section.
5. Commercial security tax credit. (a) For taxable years beginning on
or after January first, two thousand twenty-four and before January
first, two thousand twenty-six, a business entity in the commercial
security tax credit program that meets the eligibility requirements of
subdivision two of this section may be eligible to claim a credit equal
to three thousand dollars for each retail location of the business enti-
ty located in New York state.
(b) A business entity may claim the tax credit in the taxable year
that begins in the year for which it was allocated a credit by the divi-
sion under this section.
(c) The credit shall be allowed as provided in section forty-nine,
section one hundred eighty-seven-r, subdivision sixty of section two
hundred ten-B and subsection (ppp) of section six hundred six of the tax
law.
(d) The commissioner shall, in consultation with the department of
taxation and finance, develop a certificate of tax credit that shall be
issued by the commissioner to eligible businesses.
(e) The commissioner shall solely determine the eligibility of any
applicant applying for entry into the program and shall remove any busi-
ess entity from the program for failing to meet any of the requirements
set forth in subdivision two and subdivision three of this section. In
the event a business entity is removed from the program, the division
shall notify the department of taxation and finance of such removal.
6. Maintenance of records. Each eligible business participating in the
program shall keep all relevant records for the duration of their
program participation for at least three years.
7. Cap on tax credit. The total amount of tax credits listed on
certificates of tax credit issued by the division pursuant to this
section may not exceed five million dollars per calendar year.
§ 2. The tax law is amended by adding a new section 49 to read as
follows:
§ 49. Commercial security tax credit. (a) Allowance of credit. For
taxable years beginning on or after January first, two thousand twenty-
four and before January first, two thousand twenty-six, a taxpayer
required to file a return pursuant to articles nine, nine-A or twenty-
two of this chapter shall be allowed a credit against such tax, pursuant
to the provisions referenced in subdivision (f) of this section. The
amount of the credit is equal to the amount determined pursuant to section eight hundred forty-five-e of the executive law. No cost or expense paid or incurred by the taxpayer that is included as part of the calculation of this credit shall be the basis of any other tax credit allowed under this chapter.

(b) To be eligible for the commercial security tax credit, the taxpayer shall have been issued a certificate of tax credit by the division of criminal justice services pursuant to section eight hundred forty-five-e of the executive law, which certificate shall set forth the amount of the credit that may be claimed for the taxable year. The taxpayer shall be allowed to claim only the amount listed on the certificate of tax credit for the taxable year. A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in a subchapter S corporation that has received a certificate of tax credit shall be allowed its pro rata share of the credit earned by the partnership, limited liability company or subchapter S corporation.

(c) Tax return requirement. The taxpayer shall be required to attach to its tax return in the form prescribed by the commissioner, proof of receipt of its certificate of tax credit issued by the division of criminal justice services.

(d) Information sharing. Notwithstanding any provision of this chapter, employees of the division of criminal justice services and the department shall be allowed and are directed to share and exchange:

1. information derived from tax returns or reports that is relevant to a taxpayer's eligibility to participate in the commercial security tax credit program;
2. information regarding the credit applied for, allowed or claimed pursuant to this section and taxpayers that are applying for the commercial security tax credit program or that are claiming such credit; and
3. information contained in or derived from credit claim forms submitted to the department and applications for admission into the commercial security tax credit program. All information exchanged between the department and the division of criminal justice services shall not be subject to disclosure or inspection under the state's freedom of information law.

(e) Credit recapture. If a certificate of tax credit issued by the division of criminal justice services under section eight hundred forty-five-e of the executive law is revoked by the division, the amount of credit described in this section and claimed by the taxpayer prior to such revocation shall be added back to tax in the taxable year such revocation becomes final.

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

1. article 9; section 187-r;
2. article 9-a: section 210-b, subdivision 60;
3. article 22: section 606, subsection (ppp).

§ 3. The tax law is amended by adding a new section 187-r to read as follows:

§ 187-r. Commercial security tax credit. 1. Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article.

2. Application of credit. In no event shall the credit under this section be allowed in an amount that will reduce the tax payable to less than the applicable minimum tax fixed by section one hundred eighty-three of this article. If, however, the amount of credit allowable under...
this section for any taxable year reduces the tax to such amount, any
amount of credit not deductible in such taxable year shall be treated as
an overpayment of tax to be refunded in accordance with the provisions
of section one thousand eighty-six of this chapter. Provided, however,
the provisions of subsection (c) of section one thousand eighty-eight of
this chapter notwithstanding, no interest shall be paid thereon.

§ 4. Section 210-B of the tax law is amended by adding a new subdvi-
section 60 to read as follows:

60. Commercial security tax credit. (a) Allowance of credit. A taxpay-
er shall be allowed a credit, to be computed as provided in section
forty-nine of this chapter, against the taxes imposed by this article.
(b) Application of credit. The credit allowed under this subdivision
for the taxable year shall not reduce the tax due for such year to less
than the amount prescribed in paragraph (d) of subdivision one of
section two hundred ten of this article. However, if the amount of cred-
it allowable under this subdivision for the taxable year reduces the tax
to such amount or if the taxpayer otherwise pays tax based on the fixed
dollar minimum amount, any amount of credit thus not deductible in such
taxable year shall be treated as an overpayment of tax to be credited or
refunded in accordance with the provisions of section one thousand
eighty-six of this chapter. Provided, however, the provisions of
subsection (c) of section one thousand eighty-eight of this chapter
notwithstanding, no interest will be paid thereon.

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

(ppp) Commercial security tax credit. (1) Allowance of credit. A
taxpayer shall be allowed a credit, to be computed as provided in
section forty-nine of this chapter, against the tax imposed by this
article.
(2) Application of credit. If the amount of the credit allowed under
this subsection for the taxable year exceeds the taxpayer's tax for such
year, the excess shall be treated as an overpayment of tax to be credit-
ed or refunded in accordance with the provisions of section six hundred
eighty-six of this article, provided, however, that no interest will be
paid thereon.

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

(li) Commercial security tax credit under subsection (ppp) subdivision sixty of
section two hundred ten-B

§ 7. This act shall take effect immediately.

PART F
(a) the amendments to section 29 of the tax law made by section thirteen of this act shall apply to tax documents filed or required to be filed on or after the sixtieth day after which this act shall have become a law and shall expire and be deemed repealed December 31, [2024] 2029, provided however that the amendments to paragraph 4 of subdivision (a) of section 29 of the tax law and paragraph 2 of subdivision (e) of section 29 of the tax law made by section thirteen of this act with regard to individual taxpayers shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; provided that the commissioner of taxation and finance shall notify the legislative bill drafting commission of the date of the issuance of such report in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law;

(b) sections fourteen, fifteen, sixteen and seventeen of this act shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent;

(c) sections fourteen-a and fifteen-a of this act shall take effect September 15, 2011 and expire and be deemed repealed December 31, 2012 but shall take effect only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is eighty-five percent or greater;

(d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this act shall take effect January 1, [2025] 2030 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; and

§ 6. This act shall take effect immediately.

PART G

Section 1. Subdivision (e) of section 23 of part U of chapter 61 of the laws of 2011 is REPEALED.

§ 2. This act shall take effect immediately.

PART H

Section 1. Section 1136 of the tax law is amended by adding a new subdivision (d-1) to read as follows:

(d-1)(1) Notwithstanding subdivision (d) of this section, a return may be amended where such amendment would not result in the reduction or elimination of a past-due tax liability, as such term is defined in section one hundred seventy-one-v of this chapter. Provided, however, that a person required to collect tax, as defined in section eleven hundred thirty-one of this part, may amend a return within one hundred eighty days of the date such return was due if the past-due liability was self-assessed and reported by such person.
(2) Where there is no such past-due tax liability, an amended return that would result in the reduction or elimination of tax due shall be deemed a claim for credit or refund and must be filed within the time required for filing a claim for credit or refund under section eleven hundred thirty-nine of this part and otherwise meet the requirements of such section.

(3) Where the commissioner has determined the amount of tax due pursuant to paragraph one of subdivision (a) of section eleven hundred eighty of this part, an original return may be filed within one hundred eighty days after mailing of notice of such determination. Provided, however, that nothing in this paragraph shall affect any penalty or interest that may have accrued for such tax period on account of failure to timely file the original return.

(4) An assessment of tax, penalty and interest, including recovery of a previously paid refund, attributable to a change or correction on a return, may be made at any time within three years after such return is filed.

§ 2. Subdivision (a) of section 1145 of the tax law is amended by adding a new paragraph 8 to read as follows:

(8) Notwithstanding any other provision of this article, any person who willfully files or amends a return that contains false information to reduce or eliminate a liability shall be subject to a penalty not to exceed one thousand dollars per return. This penalty shall be in addition to any other penalty provided by law.

§ 3. The commissioner of taxation and finance shall be required to provide notice to persons required to collect tax of the amendments made by sections one and two of this act no later than September 1, 2024.

§ 4. This act shall take effect immediately, provided, however, the amendments made by section one of this act shall apply to returns filed or amended for quarterly periods, as described in subdivision (b) of section 1136 of the tax law, commencing on and after December 1, 2024.

PART I

Section 1. Subdivision (jj) of section 1115 of the tax law, as amended by section 1 of part M of chapter 59 of the laws of 2021, is amended to read as follows:

(jj) Tangible personal property or services otherwise taxable under this article sold to a related person shall not be subject to the taxes imposed by section eleven hundred five of this article or the compensating use tax imposed under section eleven hundred ten of this article where the purchaser can show that the following conditions have been met to the extent they are applicable: (1)(i) the vendor and the purchaser are referenced as either a "covered company" as described in section 243.2(f) or a "material entity" as described in section 243.2(l) of the Code of Federal Regulations in a resolution plan that has been submitted to an agency of the United States for the purpose of satisfying subparagraph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") or any successor law, or (ii) the vendor and the purchaser are separate legal entities pursuant to a divestiture directed pursuant to subparagraph 5 of paragraph (d) of section one hundred sixty-five of such act or any successor law; (2) the sale would not have occurred between such related entities were it not for such resolution plan or divestiture; and (3) in acquiring such property or services, the vendor did not claim an exemption from the tax imposed by this state or another state based on
the vendor's intent to resell such services or property. A person is related to another person for purposes of this subdivision if the person bears a relationship to such person described in section two hundred sixty-seven of the internal revenue code. The exemption provided by this subdivision shall not apply to sales made, services rendered, or uses occurring after June thirtieth, two thousand twenty-seven, except with respect to sales made, services rendered, or uses occurring pursuant to binding contracts entered into on or before such date; but in no case shall such exemption apply after June thirtieth, two thousand twenty-seven thirty.

§ 2. This act shall take effect immediately.

PART J

Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of section 1115 of the tax law, as amended by section 1 of part R of chapter 59 of the laws of 2023, is amended to read as follows:

(B) Until May thirty-first, two thousand twenty-five, the food and drink excluded from the exemption provided by clauses (i), (ii) and (iii) of subparagraph (A) of this paragraph, and bottled water, shall be exempt under this subparagraph: (i) when sold for one dollar and fifty cents or less through any vending machine that accepts coin or currency only; or (ii) when sold for two dollars or less through any vending machine that accepts any form of payment other than coin or currency, whether or not it also accepts coin or currency.

§ 2. This act shall take effect immediately.

PART K

Section 1. The real property law is amended by adding a new article 12-D to read as follows:

ARTICLE 12-D

SHORT-TERM RESIDENTIAL RENTAL UNITS

Section 447-a. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Short-term residential rental unit" means an entire dwelling unit, or a room, group of rooms, other living or sleeping space, or any other space within a dwelling, made available for rent by guests for less than thirty consecutive days, where the unit is offered for tourist or transient use by the short-term rental host of the residential unit.

2. "Short-term rental host" means a person or entity in lawful possession of a short-term rental unit who rents such unit to guests in accordance with this article.

3. "Booking service" means a person or entity who, directly or indirectly:

   (a) provides one or more online, computer or application-based platforms that individually or collectively can be used to:

   (i) list or advertise offers for short-term rentals, and
(ii) either accept such offers, or reserve or pay for such rentals; and
(b) charges, collects or receives a fee for the use of such a platform or for provision of any service in connection with a short-term rental. A booking service shall not be construed to include a platform that solely lists or advertises offers for short-term rentals.
§ 447-b. Short-term residential rental units; regulation. 1. A short-term rental host may operate a dwelling unit as a short-term residential rental unit provided such dwelling unit:
   (a) is registered in accordance with section four hundred forty-seven-c of this article;
   (b) is not used to provide single room occupancy as defined by subdivision forty-four of section four of the multiple residence law and subdivision sixteen of section four of the multiple dwelling law;
   (c) includes a conspicuously posted evacuation diagram identifying all means of egress from the unit and the building in which it is located;
   (d) includes a conspicuously posted list of emergency phone numbers for police, fire, and poison control;
   (e) has a working fire-extinguisher;
   (f) is insured by an insurer licensed to write insurance in this state or procured by a duly licensed excess line broker pursuant to section two thousand one hundred eighteen of the insurance law for at least the value of the dwelling, plus a minimum of three hundred thousand dollars coverage for third party claims of property damage or bodily injury that arise out of the operation of a short-term rental unit. Notwithstanding any other provision of law, no insurer shall be required to provide such coverage;
   (g) is not subject to the emergency tenant protection act of nineteen seventy-four, the rent stabilization law of nineteen sixty-nine, the emergency housing rent control law, the local emergency housing rent control act or otherwise regulated or supervised by a federal, state, or local agency pursuant to any other law or rule or an agreement with such federal, state, or local agency; and
   (h) is not otherwise prohibited from operating as a short-term rental unit by federal, state, or local law, rules, and regulations.
2. Occupancies of a short-term rental unit shall be subject to taxes and fees pursuant to articles twenty-eight and twenty-nine of the tax law and applicable local laws.
3. Short-term rental hosts shall maintain records related to guest stays for two years following the end of the calendar year in which an individual rental stay occurred, including the date of each stay and number of guests, the cost for each stay, including relevant tax, and records related to their registration as short-term rental hosts with the department of state. As a requirement for registration under section four hundred forty-seven-c of this article, hosts shall provide these records to the department of state on an annual basis. The department shall share this report with county, city, town, or village governments and shall make such reports available to local municipal enforcement agencies upon request. Where the booking service is the short-term rental host, the short-term rental host may be exempt from providing such report provided that the booking service includes all necessary information required of a short-term rental host in the report required pursuant to subdivision four of this section.
4. Booking services shall develop and maintain a report related to short-term rental unit guest stays that the booking service has facilitated in the state for two years following the end of the calendar year.
in which an individual rental stay occurred. The report shall include
the dates of each stay and the number of guests, the cost for each stay,
including relevant tax, the physical address, including any unit desig-
nation, of each short-term rental unit booked, the full legal name of
each short-term rental unit's host, and each short-term rental unit's
registration number. In the event a booking service does not adhere to
subdivision two of section four hundred forty-seven-c of this article,
or more information is deemed necessary by the department of state, the
department may access this report and all relevant records from a book-
ing service in response to valid legal process. The department shall
share this report and records with county, city, town, or village
governments and shall make such reports available to local municipal
enforcement agencies when lawfully requested. Reports and any records
provided to generate such reports shall not be made publicly available
without the redaction of the full legal name of each short-term rental
unit's host, the street name and number of the physical address of any
identified short-term rental unit and the unit's registration number.
5. It shall be unlawful for a booking service to collect a fee for
facilitating booking transactions for short-term residential rental
units located in this state if the booking service has not verified with
the department of state, or in cities with a population over one million
with such city, the short-term rental unit and its owner or tenant have
been issued a current, valid registration by the department of state.
6. The provisions of this article shall apply to all short-term resi-
dential rental units in the state; provided, however, that a munici-
pality that has its own short-term residential rental unit registry as
of the effective date of this article may continue such registry and all
short-term residential rental units in such municipality shall be
required to be registered with the department of state. In a city with a
population over one million, all short-term residential rental units
shall only register with such city as provided in a local law, rule, or
regulation. Municipalities with short-term residential rental unit
registries as of the effective date of this article shall maintain the
authority to manage such registries and to collect fines for
violations related to the registration of short-term residential rental
units with such municipal registry. A city with a population over one
million that has a short-term residential rental registry shall provide
information on short-term residential rental units registered within
such municipality to the department of state, on a monthly basis of
each calendar year, in order for the department to maintain a current
database of all short-term residential units registered within the
state. Municipalities with short-term residential rental unit regis-
tries as of the effective date of this article may establish registra-
tion requirements and regulations in such municipality in addition to
the requirements of this section. The department of state shall share
the report required pursuant to subdivision three of this section with
municipalities with short-term residential rental unit registries upon
request. No municipality shall create its own short-term rental residen-
tial unit registry after the effective date of this article.
§ 447-c. Registration. 1. Short-term rental hosts shall be required to
register a short-term residential rental unit with the department of
state.
(a) Registration with the department of state shall be valid for two
years, after which time the short-term rental host may renew the regis-
tration in a manner prescribed by the department of state. The depart-
ment of state may revoke the registration of a short-term rental host
54 in accordance with paragraph (a) of this subdivision; and
53 subdivision four of section four hundred forty-seven-b of this article,
52 located in this state, for the disclosure of the information pursuant to
51 to utilize their platform, for short-term residential rental units
50 (i) Obtain written consent from all short-term rental hosts intending
48 (b) A booking service shall provide agreement in writing to the
47 municipal enforcement agencies when lawfully requested.
44 with subdivision four of section four hundred forty-seven-b of this
43 report developed and maintained by the booking service in accordance
40 the department, as conditions of such registration:
39 adhere to the following, in addition to other regulations established by
37 units located in this state without such booking service first register-
35 2. It shall be unlawful for a booking service to collect a fee for
33 ment of state which shall not exceed the cost to build, operate, and
31 (f) Such registration fee shall include a fee for the use of the elec-
30 state.
28 (e) The short-term rental host shall pay application and renewal
27 associated with the short-term rental host who registered the unit.
26 status of a short-term residential rental unit and that the unit is
25 the data necessary to allow booking services to verify the registration
23 number.
22 registration system before the issuing or renewal of a registration
21 verified by the department of state or any municipality with its own
20 registration system before the issuing or renewal of a registration
19 number.
18 (d) The department of state shall make available to booking services
17 the data necessary to allow booking services to verify the registration
16 status of a short-term residential rental unit and that the unit is
15 associated with the short-term rental host who registered the unit.
14 (c) A tenant, or other person that does not own a unit that is used as
13 a short-term rental unit but is in lawful possession of a short-term
12 residential rental unit, shall not qualify for registration if they are
11 not the permanent occupant of the dwelling unit in question and have not
10 been granted permission in writing by the owner for its short-term
9 rental. Proof of written consent by the owner shall be provided to and
8 verified by the department of state or any municipality with its own
7 registration system before the issuance or renewal of a registration
6 number.
5 (b) A short-term rental host shall include their current, valid regis-
4 tration number on all offerings, listings or advertisements for short-
3 term rental guest stays.
2 (a) A short-term rental host shall include their current, valid regis-
12 2. It shall be unlawful for a booking service to collect a fee for
11 facilitating booking transactions for short-term residential rental
10 units located in this state without such booking service first register-
9 ing with the department of state. Accordingly, booking services shall
8 adhere to the following, in addition to other regulations established by
7 the department, as conditions of such registration:
6 (a) Booking services shall provide to the department on a quarterly
5 basis, in a form and manner to be determined by the department, the
4 report developed and maintained by the booking service in accordance
3 with subdivision four of section four hundred forty-seven-b of this
2 article. The department shall share this report with county, city, town,
1 or village governments and shall make such reports available to local
0 municipal enforcement agencies when lawfully requested.
0 (b) A booking service shall provide agreement in writing to the
(ii) Furnish the information identified pursuant to subdivision four of section four hundred forty-seven-b of this article, in accordance with paragraph (a) of this subdivision.

3. The department of state shall set a fee for booking service registration with the department.

§ 447-d. Exceptions. This article shall not apply to:

1. Incidental and occasional occupancy of such dwelling unit for fewer than thirty consecutive days by other natural persons when the permanent occupants are temporarily absent for personal reasons, such as vacation or medical treatment, provided that there is no monetary compensation paid to the permanent occupants for such occupancy; or

2. A municipality which does not allow short-term residential rentals, provided, however, that such municipality shall request an exception from this article; or

3. Temporary housing or lodging permitted by the department of health.

§ 447-e. Penalties. 1. Any booking service which collects a fee related to booking a unit as a short-term rental where such unit is not registered in accordance with this article shall be fined in accordance with subdivisions four and five of this section. The secretary of state or their designee may also seek an injunction from a court of competent jurisdiction prohibiting the collection of any fees relating to the offering or renting of the unit as a short-term residential rental.

2. Any person who offers a short-term residential rental unit without registering with the department of state, or any person who offers an eligible short-term residential rental unit as a short-term rental while the unit's registration on the short-term residential rental unit registry is suspended, shall be fined in accordance with subdivisions four and five of this section.

3. Any person who fails to comply with any notice of violation or other order issued pursuant to this article by the department of state for a violation of any provision of this article shall be fined in accordance with subdivisions four and five of this section.

4. A short-term rental host that violates the requirements of this article shall receive a warning notice issued, without penalty, by the department of state upon the first and second violation. The warning notice shall detail actions to be taken to cure the violation. For a third violation a fine up to two hundred dollars shall be imposed. For each subsequent violation, a fine of up to five hundred dollars per day shall be imposed. Upon the issuance of a violation, a seven-day period to cure the violation shall be granted. During such cure period, no further fines shall be accumulated against the short-term rental host, except where a new violation is related to a different short-term rental unit.

5. A booking service that violates the requirements of this article shall be issued a fine of up to five hundred dollars per day, per violation, until such violation is cured.

6. In a municipality that has its own registration system, the municipality may establish and effectuate its own penalty system.

§ 447-f. Enforcement. 1. The provisions of this article may be enforced in accordance with article eight of the multiple dwelling law or article eight of the multiple residence law, as applicable in the municipality where the short-term residential unit is located.

2. The department of state may enter into agreements with a booking service for assistance in enforcing the provisions of this section, including but not limited to an agreement whereby the booking service agrees to remove a listing from its platform that is deemed ineligible.
for use as a short-term residential rental unit under the provisions of
this article, and whereby the booking service agrees to prohibit a
short-term rental host from listing any listing without a valid regis-
tration number.
3. The attorney general shall be authorized to bring an action for a
violation of this article for any such violations occurring in the
state, regardless of the registration system in place within the appli-
cable jurisdiction.
4. A municipality shall be entitled to bring an action for a violation
of this article for any such violations of this article occurring in the
municipality, and may notify the attorney general.
§ 447-g. Data sharing. Booking services shall provide to the depart-
ment of state, on a monthly basis, an electronic report, in a format
determined by the department of state of the listings maintained,
authorized, facilitated or advertised by the booking service within the
state for the applicable reporting period. The report shall include the
registration number, and a breakdown of where the listings are located,
whether the listing is for a partial unit or a whole unit, and shall
include the number of nights each unit was reported as occupied during
the applicable reporting period. The department of state shall provide
such report to all municipalities where listings are located on a month-
ly basis, provided, the department of state shall only provide to each
municipality the part of the report with information on listings in such
municipality.
§ 2. Subdivision (c) of section 1101 of the tax law, as added by chap-
ter 93 of the laws of 1965, paragraphs 2, 3, 4 and 6 as amended by
section 2 and paragraph 8 as added by section 3 of part AA of chapter 57
of the laws of 2010, and paragraph 5 as amended by chapter 575 of the
laws of 1965, is amended to read as follows:
(c) When used in this article for the purposes of the tax imposed
under subdivision (e) of section eleven hundred five of this article,
and subdivision (a) of section eleven hundred four of this article, the
following terms shall mean:
(1) Hotel. A building or portion of it which is regularly used and
kept open as such for the lodging of guests. The term "hotel" includes
an apartment hotel, a motel, boarding house or club, whether or not
meals are served, and short-term rental units.
(2) Occupancy. The use or possession, or the right to the use or
possession, of any room in a hotel. "Right to the use or possession"
includes the rights of a room remarketer as described in paragraph eight
of this subdivision.
(3) Occupant. A person who, for a consideration, uses, possesses, or
has the right to use or possess, any room in a hotel under any lease,
concession, permit, right of access, license to use or other agreement,
or otherwise. "Right to use or possess" includes the rights of a room
remarketer as described in paragraph eight of this subdivision.
(4) Operator. Any person operating a hotel. Such term shall include a
room remarketer and such room remarketer shall be deemed to operate a
hotel, or portion thereof, with respect to which such person has the
rights of a room remarketer.
(5) Permanent resident. Any occupant of any room or rooms in a hotel
for at least ninety consecutive days shall be considered a permanent
resident with regard to the period of such occupancy.
(6) Rent. The consideration received for occupancy, including any
service or other charge or amount required to be paid as a condition for
occupancy, valued in money, whether received in money or otherwise and
whether received by the operator [or], a booking service, a room remarketer or another person on behalf of [either] any of them.

(7) Room. Any room or rooms of any kind in any part or portion of a hotel, which is available for or let out for any purpose other than a place of assembly.

(8) Room remarketer. A person who reserves, arranges for, conveys, or furnishes occupancy, whether directly or indirectly, to an occupant for rent in an amount determined by the room remarketer, directly or indirectly, whether pursuant to a written or other agreement. Such person's ability or authority to reserve, arrange for, convey, or furnish occupancy, directly or indirectly, and to determine rent therefor, shall be the "rights of a room remarketer". A room remarketer is not a permanent resident with respect to a room for which such person has the rights of a room remarketer. This term does not include a booking service unless such service otherwise meets this definition.

(9) Short-term rental unit. A short-term residential unit as defined in section four hundred forty-seven-a of the real property law which is registered with the department of state or a municipal registration system, which includes but is not limited to title twenty-six of the administrative code of the city of New York.

(10) Booking service. (i) A person or entity who, directly or indirectly:

(A) provides one or more online, computer or application-based platforms that individually or collectively can be used to:

(I) list or advertise offers for rental of a short-term rental unit, or space in a short-term rental unit, a type of a hotel as defined in paragraph one of this subdivision, and

(II) either accept such offers, or reserve or pay for such rentals; and

(B) charges, collects or receives a fee from a customer or host for the use of such a platform or for provision of any service in connection with the rental of a short-term rental unit, or space in a short-term rental unit, a type of a hotel as defined in paragraph one of this subdivision. For the purposes of this section, "customer" means an individual or organization that purchases a stay at a short-term rental.

(ii) A booking service shall not include a person or entity who facilitates bookings of hotel rooms solely on behalf of affiliated persons or entities, including franchisees, operating under a shared hotel brand.

(iii) A booking service shall not include a person or entity who facilitates bookings of hotel rooms and does not collect and retain the rent paid for such occupancy, as defined by paragraph six of this subdivision.

§ 3. Subdivision (e) of section 1105 of the tax law is amended by adding a new paragraph 3 to read as follows:

(3) The rent for every occupancy of a room or rooms in a short-term rental unit, or space in a short-term rental unit, a type of a hotel offered for rent through a booking service, as defined in paragraph ten of subdivision (c) of section eleven hundred one of this article, regardless of whether it is furnished, limited to a single family occupancy, or provides housekeeping, food, or other common hotel services, including, but not limited to, entertainment or planned activities.

§ 4. Subdivision 1 of section 1131 of the tax law, as amended by section 2 of part G of chapter 59 of the laws of 2019, is amended to read as follows:

(1) "Persons required to collect tax" or "person required to collect any tax imposed by this article" shall include: every vendor of tangible
personal property or services; every recipient of amusement charges; every operator of a hotel; [and] every marketplace provider with respect to sales of tangible personal property it facilitates as described in paragraph one of subdivision (e) of section eleven hundred one of this article; and booking services unless relieved of such obligation pursuant to paragraph three of subdivision (m) of section eleven hundred thirty-two of this part. Said terms shall also include any officer, director or employee of a corporation or of a dissolved corporation, any employee of a partnership, any employee or manager of a limited liability company, or any employee of an individual proprietorship who as such officer, director, employee or manager is under a duty to act for such corporation, partnership, limited liability company or individual proprietorship in complying with any requirement of this article, or has so acted; and any member of a partnership or limited liability company. Provided, however, that any person who is a vendor solely by reason of clause (D) or (E) of subparagraph (i) of paragraph (8) of subdivision (b) of section eleven hundred one of this article shall not be a "person required to collect any tax imposed by this article" until twenty days after the date by which such person is required to file a certificate of registration pursuant to section eleven hundred thirty-four of this part.

§ 5. Section 1132 of the tax law is amended by adding a new subdivision (m) to read as follows:

(m) (1) A booking service shall be required to (i) collect from the occupants the applicable taxes arising from such occupancies; (ii) comply with all the provisions of this article and article twenty-nine of this chapter and any regulations adopted pursuant thereto; (iii) register to collect tax under section eleven hundred thirty-four of this part; and (iv) retain records and information as required by the commissioner and cooperate with the commissioner to ensure the proper collection and remittance of tax imposed, collected, or required to be collected under this article and article twenty-nine of this chapter.

(2) In carrying out the obligations imposed under this section, a booking service shall have all the duties, benefits, and entitlements of a person required to collect tax under this article and article twenty-nine of this chapter with respect to the occupancies giving rise to the tax obligation, including the right to accept a certificate or other documentation from an occupant substantiating an exemption or exclusion from tax, as if such booking service were the operator of the hotel with respect to such occupancy, including the right to receive the refund authorized by subdivision (e) of this section and the credit allowed by subdivision (f) of section eleven hundred thirty-seven of this part.

(3) An operator of a hotel is not a person required to collect tax for purposes of this part with respect to taxes imposed upon occupancies of hotels if:

(i) the operator of the hotel can show that the occupancy was facilitated by a booking service who is registered to collect tax pursuant to section eleven hundred thirty-four of this part; and

(ii) the operator of the hotel accepted from the booking service a properly completed certificate of collection in a form prescribed by the commissioner certifying that the booking service has agreed to assume the tax collection and filing responsibilities of the operator of the hotel; and

(iii) any failure of the booking service to collect the proper amount of tax with respect to such occupancy was not the result of the operator
of the hotel providing incorrect information to the booking service, whether intentional or unintentional.

This provision shall be administered in a manner consistent with subparagraph (i) of paragraph one of subdivision (c) of this section as if a certificate of collection were a resale or exemption certificate for purposes of such subparagraph, including with regard to the completeness of such certificate of collection and the timing of its acceptance by the operator of the hotel; provided however, that with regard to any occupancies sold by an operator of the hotel that are facilitated by a booking service who is affiliated with such operator, the operator shall be deemed liable as a person under a duty to act for such booking service for purposes of subdivision one of section eleven hundred thirty-one of this part.

(4) The commissioner may, in the commissioner's discretion develop standard language, or approve language developed by a booking service, in which the booking service obligates itself to collect the tax on behalf of all the operators of hotels.

(5) In the event an operator of a hotel is a room remarketer, and all other provisions of this subdivision are met such that a booking service is obligated to collect tax, and does in fact collect tax as evidenced by the books and records of such booking service, then the provisions of subdivision (e) of section eleven hundred nineteen of this article shall be applicable.

§ 6. Paragraph 4 of subdivision (a) of section 1136 of the tax law, as amended by section 5 of part G of chapter 59 of the laws of 2019, is amended to read as follows:

(4) The return of a vendor of tangible personal property or services shall show such vendor's receipts from sales and the number of gallons of any motor fuel or diesel motor fuel sold and also the aggregate value of tangible personal property and services and number of gallons of such fuels sold by the vendor, the use of which is subject to tax under this article, and the amount of tax payable thereon pursuant to the provisions of section eleven hundred thirty-seven of this part. The return of a recipient of amusement charges shall show all such charges and the amount of tax thereon, and the return of an operator required to collect tax on such charges shall show all rents received or charged and the amount of tax thereon. The return of a marketplace seller shall exclude the receipts from a sale of tangible personal property facilitated by a marketplace provider if, in regard to such sale: (A) the marketplace seller has timely received in good faith a properly completed certificate of collection from the marketplace provider or the marketplace provider has included a provision approved by the commissioner in the publicly-available agreement between the marketplace provider and the marketplace seller as described in subdivision one of section eleven hundred thirty-two of this part, and (B) the information provided by the marketplace seller to the marketplace provider about such tangible personal property is accurate. The return of a short-term rental host shall exclude the rent from occupancy of a short-term rental unit facilitated by a booking service if, in regard to such sale: (A) the short-term rental host has timely received in good faith a properly completed certificate of collection from the booking service or the booking service has included a provision approved by the commissioner in the publicly-available agreement between the booking service and the short-term rental host as described in subdivision (m) of section eleven hundred thirty-two of this part, and (B) the information provided by the
short-term rental host to the booking service about such rent and such occupancy is accurate.
§ 7. Section 1142 of the tax law is amended by adding a new subdivision 16 to read as follows:
16. To publish a list on the department's website of booking services whose certificates of authority have been revoked and, if necessary to protect sales tax revenue, provide by regulation or otherwise that a short-term rental unit operator will be relieved of the requirement to register and the duty to collect tax on the rent for occupancy of a short-term rental facilitated by a booking service provider only if, in addition to the conditions prescribed by paragraph two of subdivision (m) of section eleven hundred thirty-two and paragraph six of subdivision (a) of section eleven hundred thirty-four of this part being met, such booking service is not on such list at the commencement of the quarterly period covered thereby.
§ 8. Subpart A of part 1 of article 29 of the tax law is amended by adding a new section 1200 to read as follows:
§ 1200. Definition. For the purposes of this article "hotel" shall mean a building or portion of such building which is regularly used and kept open as such for the lodging of guests, including: (a) an apartment hotel, (b) a motel, (c) a boarding house or club, whether or not meals are served, and (d) short-term residential rental units as defined in subdivision one of section four hundred forty-seven-a of the real property law.
§ 9. Notwithstanding any other provisions of law to the contrary, a county, city, town, or village government may enact a local law prohibiting or further limiting the listing or use of dwelling units, or portions thereof, as short-term residential rental units.
§ 10. Severability. If any provision of this act, or any application of any provision of this act, is held to be invalid, that shall not affect the validity or effectiveness of any other provision of this act, or of any other application of any provision of this act, which can be given effect without that provision or application; and to that end, the provisions and applications of this act are severable.
§ 11. This act shall take effect on the one hundred twentieth day after it shall have become a law.

PART L

Section 1. Subdivision (a) of section 493 of the tax law, as added by chapter 92 of the laws of 2021, is amended to read as follows:
(a) There is hereby imposed a tax on adult-use cannabis products sold by a distributor to a person who sells adult-use cannabis products at retail at the following rates:
(1) cannabis flower at the rate of five-tenths of one cent per milligram of the amount of total THC, as reflected on the product label;
(2) concentrated cannabis at the rate of eight-tenths of one cent per milligram of the amount of total THC, as reflected on the product label;
and
(3) cannabis edible product at the rate of three cents per milligram of the amount of total THC, as reflected on the product label. This tax shall accrue at the time of such sale or transfer. Where rate of seven percent of the amount charged for the sale or transfer of such adult-use cannabis products to such retailer; provided that where a person who distributes adult-use cannabis is licensed under the cannabis law as a microbusiness or registered organization and such person sells adult-use
cannabis products at retail, such person shall be liable for the tax, [and] such tax shall accrue at the time of the retail sale, and the amount subject to the tax imposed by this subdivision shall be seventy-five percent of the amount charged by such person for the sale or transfer of such products to a retail customer.

§ 2. Subdivision (a) of section 496-b of the tax law, as added by chapter 92 of the laws of 2021, is amended to read as follows:

(a) The provisions of part four of article [twenty-seven] twenty-eight of this chapter shall apply to the taxes imposed by section four hundred ninety-three of this article in the same manner and with the same force and effect as if the language of such article had been incorporated in full into this section and had expressly referred to the tax imposed by this article, except to the extent that any provision of such article is either inconsistent with a provision of this article or is not relevant to this article.

§ 3. This act shall take effect immediately; provided, however, that section one of this act shall apply to sales of adult-use cannabis products on or after June 1, 2024, and section two of this act shall apply to sales of adult-use cannabis products on or after December 1, 2024.

PART M
Intentionally Omitted

PART N
Intentionally Omitted

PART O
Section 1. Subdivision 2 of section 509-a of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part OO of chapter 56 of the laws of 2023, is amended to read as follows:

2. a. Notwithstanding any other provision of law or regulation to the contrary, from April nineteenth, two thousand twenty-one to March thirty-first, two thousand twenty-two, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's capital acquisition fund and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section shall also be available to such off-track betting corporation for the purposes of statutory obligations, payroll, and expenditures necessary to accept authorized wagers.

b. Notwithstanding any other provision of law or regulation to the contrary, from April first, two thousand twenty-two to March thirty-first, two thousand twenty-three, twenty-three percent of the funds, not to exceed two and one-half million dollars, in the Catskill off-track betting corporation's capital acquisition fund established pursuant to this section, and twenty-three percent of the funds, not to exceed four hundred forty thousand dollars, in the Capital off-track betting corporation's capital acquisition fund established pursuant to this section, shall be available to such off-track betting corporations for the
purposes of statutory obligations, payroll, and expenditures necessary
to accept authorized wagers.

c. Notwithstanding any other provision of law or regulation to the
contrary, from April first, two thousand twenty-three to March thirty-
first, two thousand twenty-four, twenty-three percent of the funds, not
to exceed two and one-half million dollars, in the Catskill off-track
betting corporation’s capital acquisition fund established pursuant to
this section, and one million dollars in the Capital off-track betting
corporation’s capital acquisition fund established pursuant to this
section, shall be available to such off-track betting corporation for
the purposes of expenditures necessary to accept authorized wagers; past
due statutory obligations to New York licensed or franchised racing
corporations or associations; past due contractual obligations due to
other racing associations or organizations for the costs of acquiring a
simulcast signal; past due statutory payment obligations due to the New
York state thoroughbred breeding and development fund corporation, agri-
culture and New York state horse breeding development fund, and the
Harry M. Zweig memorial fund for equine research; and past due obli-
gations due the state.

d. Notwithstanding any other provision of law or regulation to the
contrary, from April first, two thousand twenty-four to March thirty-
first, two thousand twenty-five, three and one-half million dollars in
the Catskill off-track betting corporation’s capital acquisition fund
established pursuant to this section, and one million dollars in the
Capital off-track betting corporation’s capital acquisition fund estab-
lished pursuant to this section, shall be available to such off-track
betting corporation for the purposes of expenditures necessary to accept
authorized wagers; past due statutory obligations to New York licensed
or franchised racing corporations or associations; past due contractual
obligations due to other racing associations or organizations for the
costs of acquiring a simulcast signal; past due statutory payment obli-
gations due to the New York state thoroughbred breeding and development
fund corporation, agriculture and New York state horse breeding develop-
ment fund, and the Harry M. Zweig memorial fund for equine research;
past due statutory payment obligations from surcharge monies pursuant to
section five hundred thirty-two of this chapter; and past due obli-
gations due the state.

e. (i) Prior to a corporation being able to utilize the funds author-
ized by paragraph c or d of this subdivision, the corporation must
attest that [the] future surcharge monies from section five hundred
thirty-two of this chapter [are being] shall be held separate and apart
from any amounts otherwise authorized to be retained from pari-mutuel
pools and all surcharge monies [have been and] will continue to be paid
to the localities as prescribed in law.

   (ii) Once [this condition is] the conditions outlined in subparagraph
(i) of this paragraph are satisfied, the corporation must submit an
expenditure plan to the gaming commission for review. Such plan shall
include the corporation’s outstanding liabilities, projected revenue for
the upcoming year, a detailed explanation of how the funds will be used,
and any other information necessary to detail such plan as determined by
the commission. [Upon review,]

   (iii) Within thirty days of the corporation’s expenditure plan
submission to the commission, the commission shall review and either (1)
make a determination as to whether the requirements of subparagraphs (i)
and (ii) of this paragraph have been satisfied and notify the corpo-
ration of expenditure plan approval(. In], or (2) in the event the
commission determines the requirements of subparagraphs (i) and (ii) of this paragraph have not been satisfied, the commission shall notify the corporation of all deficiencies necessary for approval. [As a condition of such expenditure plan approval,]

(iv) No later than the last day of the calendar year for which the funds are requested, the corporation shall provide a report to the commission [no later than October first, two thousand twenty-three,] which shall include an accounting of the use of such funds. At such time, the commission may cause an independent audit to be conducted of the corporation's books to ensure that all moneys were spent as indicated in such approved plan. The audit shall be paid for from money in the fund established by this section. If the audit determines that a corporation used the money authorized under this section for a purpose other than one listed in their expenditure plan, then the corporation shall reimburse the capital acquisition fund for the unauthorized amount.

§ 2. This act shall take effect immediately.

PART P

Section 1. Paragraph (a) of subdivision 1 of section 1003 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part BB of chapter 59 of the laws of 2023, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the commission for a license so to do. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. No license shall be issued by the commission authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility and for account wagering licensees that do not operate either a simulcast facility that is open to the public within the state of New York or a licensed racetrack within the state, twenty thousand dollars per year payable by the licensee to the commission for deposit into the general fund. Except as provided in this section, the commission shall not approve any application to conduct simulcasting into individual or group residences, homes or other areas for the purposes of or in connection with pari-mutuel wagering. The commission may approve simulcasting into residences, homes or other areas to be conducted jointly by one or more regional off-track betting corporations and one or more of the following: a franchised corporation, thoroughbred racing corporation or a harness racing corporation or association; provided (i) the simulcasting consists only of those races on which pari-mutuel betting is authorized by this chapter at one or more simulcast facilities for each of the contracting off-track betting corporations which shall include wagers made in accordance with section one thousand fifteen, one thousand sixteen and one thousand seventeen of this article; provided further that the contract provisions or other simulcast arrangements for such simulcast facility shall be no less favorable than those in effect on January first, two thousand five; (ii) that each off-track betting corporation having within its geographic boundaries such residences,
homes or other areas technically capable of receiving the simulcast
signal shall be a contracting party; (iii) the distribution of revenues
shall be subject to contractual agreement of the parties except that
statutory payments to non-contracting parties, if any, may not be
reduced; provided, however, that nothing herein to the contrary shall
prevent a track from televising its races on an irregular basis primari-
ly for promotional or marketing purposes as found by the commission. For
purposes of this paragraph, the provisions of section one thousand thir-
teen of this article shall not apply. Any agreement authorizing an
in-home simulcasting experiment commencing prior to May fifteenth, nine-
teen hundred ninety-five, may, and all its terms, be extended until June
thirtieth, two thousand [twenty-four] twenty-five; provided, however,
that any party to such agreement may elect to terminate such agreement
upon conveying written notice to all other parties of such agreement at
least forty-five days prior to the effective date of the termination,
via registered mail. Any party to an agreement receiving such notice of
an intent to terminate, may request the commission to mediate between
the parties new terms and conditions in a replacement agreement between
the parties as will permit continuation of an in-home experiment until
June thirtieth, two thousand [twenty-four] twenty-five; and (iv) no
in-home simulcasting in the thoroughbred special betting district shall
occur without the approval of the regional thoroughbred track.
§ 2. Subparagraph (iii) of paragraph d of subdivision 3 of section
1007 of the racing, pari-mutuel wagering and breeding law, as amended by
section 2 of part BB of chapter 59 of the laws of 2023, is amended to
read as follows:
(iii) Of the sums retained by a receiving track located in Westchester
county on races received from a franchised corporation, for the period
commencing January first, two thousand eight and continuing through June
thirtieth, two thousand [twenty-four] twenty-five, the amount used
exclusively for purses to be awarded at races conducted by such receiv-
ing track shall be computed as follows: of the sums so retained, two and
one-half percent of the total pools. Such amount shall be increased or
decreased in the amount of fifty percent of the difference in total
commissions determined by comparing the total commissions available
after July twenty-first, nineteen hundred ninety-five to the total
commissions that would have been available to such track prior to July
twenty-first, nineteen hundred ninety-five.
§ 3. The opening paragraph of subdivision 1 of section 1014 of the
racing, pari-mutuel wagering and breeding law, as amended by section 3
of part BB of chapter 59 of the laws of 2023, is amended to read as
follows:
The provisions of this section shall govern the simulcasting of races
conducted at thoroughbred tracks located in another state or country on
any day during which a franchised corporation is conducting a race meet-
ing in Saratoga county at Saratoga thoroughbred racetrack until June
thirtieth, two thousand [twenty-four] twenty-five and on any day regard-
less of whether or not a franchised corporation is conducting a race
meeting in Saratoga county at Saratoga thoroughbred racetrack after June
thirtieth, two thousand [twenty-four] twenty-five. On any day on which a
franchised corporation has not scheduled a racing program but a
thoroughbred racing corporation located within the state is conducting
racing, each off-track betting corporation branch office and each simul-
casting facility licensed in accordance with section one thousand seven
(that has entered into a written agreement with such facility's repre-
sentative horsemen's organization, as approved by the commission), one
thousand eight, or one thousand nine of this article shall be authorized
to accept wagers and display the live simulcast signal from thoroughbred
tracks located in another state or foreign country subject to the
following provisions:
§ 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering
and breeding law, as amended by section 4 of part BB of chapter 59 of
the laws of 2023, is amended to read as follows:
1. The provisions of this section shall govern the simulcasting of
races conducted at harness tracks located in another state or country
during the period July first, nineteen hundred ninety-four through June
thirtieth, two thousand [twenty-four] twenty-five. This section shall
supersede all inconsistent provisions of this chapter.
§ 5. The opening paragraph of subdivision 1 of section 1016 of the
racing, pari-mutuel wagering and breeding law, as amended by section 5
of part BB of chapter 59 of the laws of 2023, is amended to read as
follows:
The provisions of this section shall govern the simulcasting of races
conducted at thoroughbred tracks located in another state or country on
any day during which a franchised corporation is not conducting a race
meeting in Saratoga county at Saratoga thoroughbred racetrack until June
thirtieth, two thousand [twenty-four] twenty-five. Every off-track
betting corporation branch office and every simulcasting facility
licensed in accordance with section one thousand seven that have entered
into a written agreement with such facility's representative horsemen's
organization as approved by the commission, one thousand eight or one
thousand nine of this article shall be authorized to accept wagers and
display the live full-card simulcast signal of thoroughbred tracks
(which may include quarter horse or mixed meetings provided that all
such wagering on such races shall be construed to be thoroughbred races)
located in another state or foreign country, subject to the following
provisions; provided, however, no such written agreement shall be
required of a franchised corporation licensed in accordance with section
one thousand seven of this article:
§ 6. The opening paragraph of section 1018 of the racing, pari-mutuel
wagering and breeding law, as amended by section 6 of part BB of chapter
59 of the laws of 2023, is amended to read as follows:
Notwithstanding any other provision of this chapter, for the period
July twenty-fifth, two thousand one through September eighth, two thou-
sand [twenty-three] twenty-four, when a franchised corporation is
conducting a race meeting within the state at Saratoga Race Course,
every off-track betting corporation branch office and every simulcasting
facility licensed in accordance with section one thousand seven (that
has entered into a written agreement with such facility's representative
horsemen's organization as approved by the commission), one thousand
eight or one thousand nine of this article shall be authorized to accept
wagers and display the live simulcast signal from thoroughbred tracks
located in another state, provided that such facility shall accept
wagers on races run at all in-state thoroughbred tracks which are
conducting racing programs subject to the following provisions;
provided, however, no such written agreement shall be required of a
franchised corporation licensed in accordance with section one thousand
seven of this article.
§ 7. Section 32 of chapter 281 of the laws of 1994, amending the
racing, pari-mutuel wagering and breeding law and other laws relating to
simulcasting, as amended by section 7 of part BB of chapter 59 of the
laws of 2023, is amended to read as follows:
§ 32. This act shall take effect immediately and the pari-mutuel tax reductions in section six of this act shall expire and be deemed repealed on July 1, [2024] 2025; provided, however, that nothing contained herein shall be deemed to affect the application, qualification, expiration, or repeal of any provision of law amended by any section of this act, and such provisions shall be applied or qualified or shall expire or be deemed repealed in the same manner, to the same extent and on the same date as the case may be as otherwise provided by law; provided further, however, that sections twenty-three and twenty-five of this act shall remain in full force and effect only until May 1, 1997 and at such time shall be deemed to be repealed.

§ 8. Section 54 of 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, as amended by section 8 of part BB of chapter 59 of the laws of 2023, is amended to read as follows:

§ 54. This act shall take effect immediately; provided, however, sections three through twelve of this act shall take effect on January 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breeding law, as added by section thirty-eight of this act, shall expire and be deemed repealed on July 1, [2024] 2025; and section eighteen of this act shall take effect on July 1, 2008 and sections fifty-one and fifty-two of this act shall take effect as of the same date as chapter 772 of the laws of 1989 took effect.

§ 9. Paragraph (a) of subdivision 1 of section 238 of the racing, pari-mutuel wagering and breeding law, as amended by section 9 of part BB of chapter 59 of the laws of 2023, is amended to read as follows:

(a) The franchised corporation authorized under this chapter to conduct pari-mutuel betting at a race meeting or races run thereat shall distribute all sums deposited in any pari-mutuel pool to the holders of winning tickets therein, provided such tickets are presented for payment before April first of the year following the year of their purchase, less an amount that shall be established and retained by such franchised corporation of between twelve to seventeen percent of the total deposits in pools resulting from on-track regular bets, and fourteen to twenty-one percent of the total deposits in pools resulting from on-track multiple bets and fifteen to twenty-five percent of the total deposits in pools resulting from on-track exotic bets and fifteen to thirty-six percent of the total deposits in pools resulting from on-track super exotic bets, plus the breaks. The retention rate to be established is subject to the prior approval of the commission.

Such rate may not be changed more than once per calendar quarter to be effective on the first day of the calendar quarter. "Exotic bets" and "multiple bets" shall have the meanings set forth in section five hundred nineteen of this chapter. "Super exotic bets" shall have the meaning set forth in section three hundred one of this chapter. For purposes of this section, a "pick six bet" shall mean a single bet or wager on the outcomes of six races. The breaks are hereby defined as the odd cents over any multiple of five for payoffs greater than one dollar five cents but less than five dollars, over any multiple of ten for payoffs greater than five dollars but less than twenty-five dollars, over any multiple of twenty-five for payoffs greater than twenty-five dollars but less than two hundred fifty dollars, or over any multiple of fifty for payoffs over two hundred fifty dollars. Out of the amount so retained there shall be paid by such franchised corporation to the commissioner of taxation and finance, as a reasonable tax by the state
for the privilege of conducting pari-mutuel betting on the races run at
the race meetings held by such franchised corporation, the following
percentages of the total pool for regular and multiple bets five percent
of regular bets and four percent of multiple bets plus twenty percent of
the breaks; for exotic wagers seven and one-half percent plus twenty
percent of the breaks, and for super exotic bets seven and one-half
percent plus fifty percent of the breaks.

For the period April first, two thousand one through December thirty-
first, two thousand [twenty-four] twenty-five, such tax on all wagers
shall be one and six-tenths percent, plus, in each such period, twenty
percent of the breaks. Payment to the New York state thoroughbred breed-
ing and development fund by such franchised corporation shall be one-
half of one percent of total daily on-track pari-mutuel pools resulting
from regular, multiple and exotic bets and three percent of super exotic
bets and for the period April first, two thousand one through December
thirty-first, two thousand [twenty-four] twenty-five, such payment shall
be seven-tenths of one percent of regular, multiple and exotic pools.

§ 10. This act shall take effect immediately.

PART Q

Section 1. Paragraph (a) of subdivision 9 of section 208 of the
racing, pari-mutuel wagering and breeding law, as amended by section 2
of part QQ of chapter 59 of the laws of 2022, is amended to read as
follows:

(a) The franchised corporation shall maintain a separate account for
all funds held on deposit in trust by the corporation for individual
horsemen's accounts. Purse funds shall be paid by the corporation as
required to meet its purse payment obligations. Funds held in horsemen's
accounts shall only be released or applied as requested and directed by
the individual horseman. Through calendar year [two thousand twenty-
five] two thousand twenty-seven the New York Jockey Injury Compensation
Fund, Inc. may use up to two million dollars from the account estab-
lished pursuant to this subdivision to pay the annual costs required by
section two hundred twenty-one of this article.

§ 2. The opening paragraph of subdivision 7 of section 221 of the
racing, pari-mutuel wagering and breeding law, as amended by section 1
of part QQ of chapter 59 of the laws of 2022, is amended to read as
follows:

In order to pay the costs of the insurance required by this section
and by the workers' compensation law and to carry out its other powers
and duties and to pay for any of its liabilities under section four-
ten-a of the workers' compensation law, the New York Jockey Injury
Compensation Fund, Inc. shall ascertain the total funding necessary and
establish the sums that are to be paid by all owners and trainers
licensed or required to be licensed under section two hundred twenty of
this article, to obtain the total funding amount required annually. In
order to provide that any sum required to be paid by an owner or trainer
is equitable, the fund shall establish payment schedules that reflect
such factors as are appropriate, including where applicable, the
geographic location of the racing corporation at which the owner or
trainer participates, the duration of such participation, the amount of
any purse earnings, the number of horses involved, or such other factors
as the fund shall determine to be fair, equitable and in the best inter-
ests of racing. In no event shall the amount deducted from an owner's
share of purses exceed two percent; provided, however, through calendar

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year [two thousand twenty-five] two thousand twenty-seven, the New York Jockey Injury Compensation Fund, Inc. may use up to two million dollars from the account established pursuant to subdivision nine of section two hundred eight of this article to pay the annual costs required by this section and the funds from such account shall not count against the two percent of purses deducted from an owner's share of purses. The amount deducted from an owner's share of purses shall not exceed one percent after April first, [two thousand twenty-four] two thousand twenty-seven. In the cases of multiple ownerships and limited racing appearances, the fund shall equitably adjust the sum required.

§ 3. The opening paragraph of subdivision 2 of section 228 of the racing, pari-mutuel wagering and breeding law, as amended by chapter 198 of the laws of 2023, is amended to read as follows:

The commission shall, as a condition of racing, require any franchised corporation and every other corporation subject to its jurisdiction to withhold one percent of all purses, except that for the franchised corporation, starting on September first, two thousand seven and continuing through August thirty-first, [two thousand twenty-four] two thousand twenty-seven, two percent of all purses shall be withheld, and, in the case of the franchised corporation, to pay such sum to the horsemen's organization or its successor that was first entitled to receive payments pursuant to this section in accordance with rules of the commission adopted effective November third, nineteen hundred eighty-three representing at least fifty-one percent of the owners and trainers using the facilities of such franchised corporation, on the condition that such horsemen's organization shall expend as much as is necessary, but not to exceed one-half of one percent of such total sum, to acquire and maintain the equipment required to establish a program at a state college within this state with an approved equine science program to test for the presence of steroids in horses, provided further that the qualified organization shall also, in an amount to be determined by its board of directors, annually include in its expenditures for benevolence programs, funds to support an organization providing services necessary to backstretch employees, and, in the case of every other corporation, to pay such one percent sum of purses to the horsemen's organization or its successor that was first entitled to receive payments pursuant to this section in accordance with rules of the commission adopted effective May twenty-third, nineteen hundred eighty-six representing at least fifty-one percent of the owners and trainers using the facilities of such corporation.

§ 4. This act shall take effect immediately.

PART R

Section 1. The racing, pari-mutuel wagering and breeding law is amended by adding a new section 902-a to read as follows:

§ 902-a. Equine screening and advanced imaging expenses. 1. In order to assure the public's confidence and continue the high degree of integrity in racing at the pari-mutuel betting tracks, clinical services related to screening and advanced imaging shall be conducted by a land grant university within this state at a location proximate to a race-track owned by the state.

2. Notwithstanding any inconsistent provision of law, the land grant university's costs of (a) obtaining the necessary equipment shall be off-set by a one-time grant of two million dollars made by the franchised corporation to the applicable land grant university; and (b)
operating such preventive screening and advanced imaging services shall be off-set by an assessment collected by the commission pursuant to subdivision seven of section one thousand twelve-a of this chapter, and distributed by the commission to such land grant university. The commission shall determine the distribution schedule of such assessments to the land grant university outlined in paragraph (b) of this subdivision, provided that such distributions occur in a reasonable amount of time subsequent to the commission collecting such assessments.

3. In consideration of the state and industry support provided for the screening and advanced imaging services to the land grant university:
(a) the clinical services shall be provided for the benefit of New York horsemen at reasonable costs; and (b) any data or educational material generated from such program shall be shared with the commission and any entity licensed or franchised pursuant to article one or two of this chapter.

§ 2. Subdivision 6 of section 1012-a of the racing, pari-mutuel wagering and breeding law, as amended by chapter 243 of the laws of 2020, is amended and a new subdivision 7 is added to read as follows:
6. multi-jurisdictional account wagering providers shall pay a market origin fee equal to five percent on each wager accepted from New York residents. Multi-jurisdictional account wagering providers shall make the required payments to the market origin account on or before the fifth business day of each month and such required payments shall cover payments due for the period of the preceding calendar month; provided, however, that such payments required to be made on April fifteenth shall be accompanied by a report under oath, showing the total of all such payments, together with such other information as the commission may require. A penalty of five percent and interest at the rate of one percent per month from the date the report is required to be filed to the date the payment shall be payable in case any payments required by this subdivision are not paid when due. If the commission determines that any moneys received under this subdivision were paid in error, the commission may cause the same to be refunded without interest out of any moneys collected thereunder, provided an application therefor is filed with the commission within one year from the time the erroneous payment was made. The commission shall pay into the racing regulation account, under the joint custody of the comptroller and the commission, the total amount of the fee collected pursuant to this section[.]; and

7. any multi-jurisdictional account wagering providers that are not controlled by an entity otherwise licensed or franchised in this state to conduct pari-mutuel wagering pursuant to article two or three of this chapter through which New York residents have wagered an aggregate amount of at least fifteen million dollars in every month of calendar year two thousand twenty-three shall pay an additional assessment of 0.03% not to exceed one million dollars in calendar year two thousand twenty-four, and 0.05% not to exceed one million seven hundred fifty thousand dollars in calendar years two thousand twenty-five through two thousand twenty-nine, which shall be distributed pursuant to section nine hundred two-a of this chapter. This assessment shall continue only as long as necessary to fund the operations of the screening and advanced imaging clinical services described in such section.

§ 3. Subdivision 8 of section 212 of the racing, pari-mutuel wagering and breeding law is amended by adding a new paragraph c to read as follows:
c. Notwithstanding any other provision of this article, the franchised corporation shall be entitled to make a grant for the purposes of or
otherwise make capital expenditures to purchase screening and advanced imaging equipment consistent with section nine hundred two of this chapter.

§ 4. This act shall take effect immediately and shall be in full force and effect as of April 1, 2024; provided, however, that sections one and two of this act shall expire on March 31, 2029.

PART S

Section 1. The opening paragraph of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 1 of subpart A of part I of chapter 59 of the laws of 2023, is amended to read as follows:

For taxable years beginning before January first, two thousand sixteen, the amount prescribed by this paragraph shall be computed at the rate of seven and one-tenth percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand sixteen, the amount prescribed by this paragraph shall be six and one-half percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand twenty-one and before January first, two thousand twenty-four for any taxpayer with a business income base for the taxable year of more than five million dollars, the amount prescribed by this paragraph shall be seven and one-quarter percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand twenty-four and before January first, two thousand twenty-seven for any taxpayer with a business income base for the taxable year of more than five million dollars, the amount prescribed by this paragraph shall be nine percent of the taxpayer's business income. The taxpayer's business income base shall mean the portion of the taxpayer's business income apportioned within the state as hereinafter provided. However, in the case of a small business taxpayer, as defined in paragraph (f) of this subdivision, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (iv) of this paragraph and in the case of a manufacturer, as defined in subparagraph (vi) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vi) of this paragraph, and, in the case of a qualified emerging technology company, as defined in subparagraph (vii) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vii) of this paragraph.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2024.

PART T

Section 1. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of subsection (a) of section 601 of the tax law, as amended by section 1 of subpart A of part A of chapter 59 of the laws of 2022, are amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three [and before two thousand twenty-eight] the following rates shall apply:

<table>
<thead>
<tr>
<th>New York taxable income is:</th>
<th>The tax is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $17,150</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $17,150 but not over $23,600</td>
<td>$686 plus 4.5% of excess over</td>
</tr>
<tr>
<td></td>
<td>$17,150</td>
</tr>
<tr>
<td>Over $23,600 but not over $27,900</td>
<td>$976 plus 5.25% of excess over</td>
</tr>
</tbody>
</table>


(vii) For taxable years beginning in two thousand twenty-four and before two thousand twenty-eight the following rates shall apply:

<table>
<thead>
<tr>
<th>New York taxable Income</th>
<th>Tax</th>
</tr>
</thead>
</table>
| Not over $17,150        | 4% of New York taxable income  
| Over $17,150 but not over $23,600 | $686 plus 4.5% of excess over $17,150 |
| Over $23,600 but not over $27,900 | $976 plus 5.25% of excess over $23,600 |
| Over $27,900 but not over $161,550 | $1,202 plus 5.5% of excess over $27,900 |
| Over $161,550 but not over $323,200 | $8,553 plus 6.00% of excess over $161,550 |
| Over $323,200 but not over $2,155,350 | $18,252 plus 6.85% of excess over $323,200 |
| Over $2,155,350 but not over $25,000,000 | $8,553 plus 6.00% of excess over $2,155,350 |
| Over $25,000,000 but not over $5,000,000 | $2,478,263 plus 10.30% of excess over $25,000,000 |
| Over $5,000,000 but not over $143,754 plus 9.65% of excess over $5,000,000 |

(viii) For taxable years beginning after two thousand twenty-seven the following rates shall apply:

<table>
<thead>
<tr>
<th>New York taxable Income</th>
<th>Tax</th>
</tr>
</thead>
</table>
| Not over $17,150        | 4% of New York taxable income  
| Over $17,150 but not over $23,600 | $686 plus 4.5% of excess over $17,150 |
| Over $23,600 but not over $27,900 | $976 plus 5.25% of excess over $23,600 |
| Over $27,900 but not over $161,550 | $1,202 plus 5.5% of excess over $27,900 |
| Over $161,550 but not over $323,200 | $8,553 plus 6.00% of excess over $161,550 |
| Over $323,200 but not over $18,252 plus 6.85% of excess over $323,200 |
| Over $2,155,350 but not over $5,000,000 | $143,754 plus 8.82% of excess over $2,155,350 |
| Over $25,000,000 | $2,578,663 plus 11.40% of excess over $25,000,000 |

§ 2. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of subsection (b) of section 601 of the tax law, as amended by section 2 of
subpart A of part A of chapter 59 of the laws of 2022, are amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three [and before two thousand twenty-eight] the following rates shall apply:

<table>
<thead>
<tr>
<th>If the New York taxable income is:</th>
<th>The tax is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $12,800</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $12,800 but not over $17,650</td>
<td>$512 plus 4.5% of excess over $12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over $20,900</td>
<td>$730 plus 5.25% of excess over $17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over $107,650</td>
<td>$901 plus 5.5% of excess over $20,900</td>
</tr>
<tr>
<td>Over $107,650 but not over $269,300</td>
<td>$5,672 plus 6.00% of excess over $107,650</td>
</tr>
<tr>
<td>Over $269,300 but not over $1,616,450</td>
<td>$15,371 plus 6.85% of excess over $269,300</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$107,651 plus 9.65% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$434,163 plus 10.30% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$107,650</td>
</tr>
</tbody>
</table>

(vii) For taxable years beginning in two thousand twenty-four and before two thousand twenty-eight the following rates shall apply:

<table>
<thead>
<tr>
<th>If the New York taxable income is:</th>
<th>The tax is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $12,800</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $12,800 but not over $17,650</td>
<td>$512 plus 4.5% of excess over $12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over $20,900</td>
<td>$730 plus 5.25% of excess over $17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over $107,650</td>
<td>$901 plus 5.5% of excess over $20,900</td>
</tr>
<tr>
<td>Over $107,650 but not over $269,300</td>
<td>$5,672 plus 6.00% of excess over $107,650</td>
</tr>
<tr>
<td>Over $269,300 but not over $1,616,450</td>
<td>$15,371 plus 6.85% of excess over $269,300</td>
</tr>
<tr>
<td>Over $1,616,450 but not over $5,000,000</td>
<td>$107,651 plus 9.65% of excess over $1,616,450</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$434,163 plus 10.30% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$107,650</td>
</tr>
</tbody>
</table>

(viii) For taxable years beginning after two thousand twenty-seven the following rates shall apply:

<table>
<thead>
<tr>
<th>If the New York taxable income is:</th>
<th>The tax is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $12,800</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $12,800 but not over $17,650</td>
<td>$512 plus 4.5% of excess over $12,800</td>
</tr>
<tr>
<td>Over $17,650 but not over $20,900</td>
<td>$730 plus 5.25% of excess over $17,650</td>
</tr>
<tr>
<td>Over $20,900 but not over $25,000,000</td>
<td>$901 plus 5.5% of excess over $20,900</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,594,163 plus 11.40% of excess over $25,000,000</td>
</tr>
</tbody>
</table>
1. Over $107,650 but not over $269,300 $5,672 plus 6.00% of excess
2. $269,300 over $107,650
3. Over $269,300 but not over $1,616,450 $15,371 plus 6.85% of excess
4. $1,616,450 over $269,300
5. Over $1,616,450 $107,651 plus 8.82% of excess
6. over $1,616,450

§ 3. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of subsection (c) of section 601 of the tax law, as amended by section 3 of subpart A of part A of chapter 59 of the laws of 2022, are amended to read as follows:

(vi) For taxable years beginning in two thousand twenty-three [and before two thousand twenty-eight] the following rates shall apply:

If the New York taxable income is: The tax is:

<table>
<thead>
<tr>
<th>New York taxable income</th>
<th>Taxpayable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $8,500</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $8,500 but not over $11,700</td>
<td>$340 plus 4.5% of excess over $8,500</td>
</tr>
<tr>
<td>Over $11,700 but not over $13,900</td>
<td>$484 plus 5.25% of excess over $11,700</td>
</tr>
<tr>
<td>Over $13,900 but not over $80,650</td>
<td>$600 plus 5.50% of excess over $13,900</td>
</tr>
<tr>
<td>Over $80,650 but not over $215,400</td>
<td>$4,271 plus 6.00% of excess over $80,650</td>
</tr>
<tr>
<td>Over $215,400 but not over $1,077,550</td>
<td>$12,356 plus 6.85% of excess over $215,400</td>
</tr>
<tr>
<td>Over $1,077,550 but not over $5,000,000</td>
<td>$71,413 plus 9.65% of excess over $1,077,550</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$449,929 plus 10.30% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,509,929 plus 10.90% of excess over $25,000,000</td>
</tr>
<tr>
<td>Over $1,077,550 but not over $71,413 plus 9.65% of excess over $5,000,000</td>
<td></td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,609,929 plus 11.40% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,609,929 plus 11.40% of excess over $25,000,000</td>
</tr>
</tbody>
</table>

(vii) For taxable years beginning in two thousand twenty-four and before two thousand twenty-eight the following rates shall apply:

If the New York taxable income is: The tax is:

<table>
<thead>
<tr>
<th>New York taxable income</th>
<th>Taxpayable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $8,500</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $8,500 but not over $11,700</td>
<td>$340 plus 4.5% of excess over $8,500</td>
</tr>
<tr>
<td>Over $11,700 but not over $13,900</td>
<td>$484 plus 5.25% of excess over $11,700</td>
</tr>
<tr>
<td>Over $13,900 but not over $80,650</td>
<td>$600 plus 5.50% of excess over $13,900</td>
</tr>
<tr>
<td>Over $80,650 but not over $215,400</td>
<td>$4,271 plus 6.00% of excess over $80,650</td>
</tr>
<tr>
<td>Over $215,400 but not over $1,077,550</td>
<td>$12,356 plus 6.85% of excess over $215,400</td>
</tr>
<tr>
<td>Over $1,077,550 but not over $5,000,000</td>
<td>$71,413 plus 9.65% of excess over $1,077,550</td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$449,929 plus 10.30% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,509,929 plus 10.90% of excess over $25,000,000</td>
</tr>
<tr>
<td>Over $1,077,550 but not over $71,413 plus 9.65% of excess over $5,000,000</td>
<td></td>
</tr>
<tr>
<td>Over $5,000,000 but not over $25,000,000</td>
<td>$2,609,929 plus 11.40% of excess over $5,000,000</td>
</tr>
<tr>
<td>Over $25,000,000</td>
<td>$2,609,929 plus 11.40% of excess over $25,000,000</td>
</tr>
</tbody>
</table>

(viii) For taxable years beginning after two thousand twenty-seven the following rates shall apply:
If the New York taxable income is: The tax is:

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $8,500</td>
<td>4% of the New York taxable income</td>
</tr>
<tr>
<td>Over $8,500 but not over $11,700</td>
<td>$340 plus 4.5% of excess over $8,500</td>
</tr>
<tr>
<td>Over $11,700 but not over $13,900</td>
<td>$484 plus 5.25% of excess over $11,700</td>
</tr>
<tr>
<td>Over $13,900 but not over $80,650</td>
<td>$600 plus 5.50% of excess over $13,900</td>
</tr>
<tr>
<td>Over $80,650 but not over $215,400</td>
<td>$4,271 plus 6.00% of excess over $80,650</td>
</tr>
<tr>
<td>Over $215,400 but not over $1,077,550</td>
<td>$12,356 plus 6.85% of excess over $215,400</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$71,413 plus 8.82% of excess over $1,077,550</td>
</tr>
</tbody>
</table>

§ 4. Subsection (d-4) of section 601 of the tax law, as added by section 3 of subpart B of part A of chapter 59 of the laws of 2022, is amended and a new subsection (d-5) is added to read as follows:

(d-4) Alternative tax table benefit recapture. Notwithstanding the provisions of subsection (d), (d-1), (d-2) or (d-3) of this section, for taxable years beginning on or after two thousand twenty-three [and before two thousand twenty-eight], there is hereby imposed a supplemental tax in addition to the tax imposed under subsections (a), (b) and (c) of this section for the purpose of recapturing the benefit of the tax tables contained in such subsections. During these taxable years, any reference in this chapter to subsection (d), (d-1), (d-2) or (d-3) of this section shall be read as a reference to this subsection.

(1) For resident married individuals filing joint returns and resident surviving spouses:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>$0</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>$333</td>
</tr>
<tr>
<td>$323,200</td>
<td>$2,155,350</td>
<td>$1,140</td>
</tr>
<tr>
<td>$2,155,350</td>
<td>$5,000,000</td>
<td>$3,887</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$64,237</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$161,550</td>
<td>New York adjusted gross income minus $161,550</td>
</tr>
<tr>
<td>$323,200</td>
<td>New York adjusted gross income minus $323,200</td>
</tr>
<tr>
<td>$2,155,350</td>
<td>New York adjusted gross income minus $2,155,350</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than twenty-seven thousand nine hundred dollars,
the supplemental tax shall equal the difference between the product of 5.50 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over 107,650</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>$0</td>
<td>$787</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>$787</td>
<td>$2,289</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>$3,076</td>
<td>$45,261</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$48,337</td>
<td>$32,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over 107,650</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>New York adjusted gross income minus $269,300</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,616,450</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section.

(3) For resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over 80,650</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>$0</td>
<td>$568</td>
</tr>
</tbody>
</table>
(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>New York adjusted gross income minus $215,400</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,077,550</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than eighty thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 10.90 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section.

(d-5) Alternative tax table benefit recapture. Notwithstanding the provisions of subsection (d), (d-1), (d-2), (d-3) or (d-4) of this section, for taxable years beginning on or after two thousand twenty-four and before two thousand twenty-eight, there is hereby imposed a supplemental tax in addition to the tax imposed under subsections (a), (b) and (c) of this section for the purpose of recapturing the benefit of the tax tables contained in such subsections. During these taxable years, any reference in this chapter to subsection (d), (d-1), (d-2), (d-3) or (d-4) of this section shall be read as a reference to this subsection.

(1) For resident married individuals filing joint returns and resident surviving spouses:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>$0</td>
<td>$333</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>$333</td>
<td>$807</td>
</tr>
<tr>
<td>$323,200</td>
<td>$2,155,350</td>
<td>$1,140</td>
<td>$2,747</td>
</tr>
<tr>
<td>$2,155,350</td>
<td>$5,000,000</td>
<td>$3,887</td>
<td>$60,350</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$64,237</td>
<td>$57,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,900</td>
<td>$161,550</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$161,550</td>
<td>$323,200</td>
<td>New York adjusted gross income minus $161,550</td>
</tr>
</tbody>
</table>
$323,200 $2,155,350 New York adjusted gross income minus $323,200
$2,155,350 $5,000,000 New York adjusted gross income minus $2,155,350
$5,000,000 $25,000,000 New York adjusted gross income minus $5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and
(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than $107,650, but not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>$0</td>
<td>$787</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>$787</td>
<td>$2,289</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>$2,076</td>
<td>$45,261</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$48,337</td>
<td>$57,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$107,650</td>
<td>$269,300</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$269,300</td>
<td>$1,616,450</td>
<td>New York adjusted gross income minus $269,300</td>
</tr>
<tr>
<td>$1,616,450</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,616,450</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and
(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of 11.40 percent and New York taxable income and the
tax table computation on the New York taxable income set forth in para-
graph one of subsection (b) of this section.

(3) For resident unmarried individuals, resident married individuals
filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than $107,650, but
not over $25,000,000:

(i) the recapture base and incremental benefit shall be determined by
New York taxable income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Recapture Base</th>
<th>Incremental Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>$0</td>
<td>$568</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>$568</td>
<td>$1,831</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$5,000,000</td>
<td>$2,399</td>
<td>$30,172</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>$32,571</td>
<td>$57,500</td>
</tr>
</tbody>
</table>

(ii) the applicable amount shall be determined by New York taxable
income as follows:

<table>
<thead>
<tr>
<th>Greater than</th>
<th>Not over</th>
<th>Applicable Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$80,650</td>
<td>$215,400</td>
<td>New York adjusted gross income minus $107,650</td>
</tr>
<tr>
<td>$215,400</td>
<td>$1,077,550</td>
<td>New York adjusted gross income minus $215,400</td>
</tr>
<tr>
<td>$1,077,550</td>
<td>$5,000,000</td>
<td>New York adjusted gross income minus $1,077,550</td>
</tr>
<tr>
<td>$5,000,000</td>
<td>$25,000,000</td>
<td>New York adjusted gross income minus $5,000,000</td>
</tr>
</tbody>
</table>

(iii) the phase-in fraction shall be a fraction, the numerator of
which shall be the lesser of fifty thousand dollars or the applicable
amount and the denominator of which shall be fifty thousand dollars; and
(iv) the supplemental tax due shall equal the sum of the recapture
base and the product of (i) the incremental benefit and (ii) the phase-
in fraction. Provided, however, that if the New York taxable income of
the taxpayer is less than eighty thousand six hundred fifty dollars, the
supplemental tax shall equal the difference between the product of 6.00
percent and New York taxable income and the tax table computation on the
New York taxable income set forth in paragraph one of subsection (c) of
this section, multiplied by a fraction, the numerator of which is the
lesser of fifty thousand dollars or New York adjusted gross income minus
one hundred seven thousand six hundred fifty dollars, and the denomina-
tor of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five
million dollars, the supplemental tax due shall equal the difference
between the product of 11.40 percent and New York taxable income and the
tax table computation on the New York taxable income set forth in para-
graph one of subsection (c) of this section.

§ 5. Notwithstanding any provision of law to the contrary, the method
of determining the amount to be deducted and withheld from wages on
account of taxes imposed by or pursuant to the authority of article 22
of the tax law in connection with the implementation of the provisions
of this act shall be prescribed by regulations of the commissioner of
taxation and finance with due consideration to the effect such withhold-
ing tables and methods would have on the receipt and amount of revenue.
The commissioner of taxation and finance shall adjust such withholding
tables and methods in regard to taxable years beginning in 2024 and
after in such manner as to result, so far as practicable, in withholding
from an employee's wages an amount substantially equivalent to the tax
reasonably estimated to be due for such taxable years as a result of the
provisions of this act. Any such regulations to implement a change in
withholding tables and methods for tax year 2024 shall be adopted and
effective as soon as practicable and the commissioner of taxation and finance may adopt such regulations on an emergency basis notwithstanding anything to the contrary in section 202 of the state administrative procedure act.

§ 6. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2024.

PART U

Section 1. Paragraph 1 of subsection (d) of section 606 of the tax law, as amended by section 1 of part Q of chapter 63 of the laws of 2000, is amended to read as follows:

(1) General. (A) (i) A taxpayer shall be allowed a credit as provided herein equal to [(i)] the applicable percentage of the earned income credit allowed under section thirty-two of the internal revenue code for the same taxable year, provided, however, for New York state purposes beginning with the two thousand twenty-four taxable year, and for each taxable year thereafter, the phaseout percentage as defined in section 32(b)(1) of the internal revenue code shall be determined as follows:

<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Phaseout Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>One qualifying child</td>
<td>11.98</td>
</tr>
<tr>
<td>Two qualifying children</td>
<td>15.06</td>
</tr>
<tr>
<td>Three or more qualifying</td>
<td>15.06</td>
</tr>
<tr>
<td>children</td>
<td></td>
</tr>
<tr>
<td>No qualifying children</td>
<td>7.65</td>
</tr>
</tbody>
</table>

(ii) The credit under clause (i) of this subparagraph shall be reduced by the credit permitted under subsection (b) of this section.

(B) The applicable percentage shall be (i) seven and one-half percent for taxable years beginning in nineteen hundred ninety-four, (ii) ten percent for taxable years beginning in nineteen hundred ninety-five, (iii) twenty percent for taxable years beginning after nineteen hundred ninety-five and before two thousand, (iv) twenty-two and one-half percent for taxable years beginning in two thousand, (v) twenty-five percent for taxable years beginning in two thousand one, (vi) twenty-seven and one-half percent for taxable years beginning in two thousand two, and (vii) thirty percent for taxable years beginning in two thousand three and thereafter. Provided, however, that if the reversion event, as defined in this paragraph, occurs, the applicable percentage shall be twenty percent for taxable years ending on or after the date on which the reversion event occurred. The reversion event shall be deemed to have occurred on the date on which federal action, including but not limited to, administrative, statutory or regulatory changes, materially reduces or eliminates New York state's allocation of the federal temporary assistance for needy families block grant, or materially reduces the ability of the state to spend federal temporary assistance for needy families block grant funds for the earned income credit or to apply state general fund spending on the earned income credit toward the temporary assistance for needy families block grant maintenance of effort requirement, and the commissioner of the office of temporary and disability assistance shall certify the date of such event to the commissioner of taxation and finance, the director of the division of the budget, the speaker of the assembly and the temporary president of the senate.
§ 2. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2024.

PART V

Section 1. Subsection (d) of section 606 of the tax law is amended by adding a new paragraph 9 to read as follows:

(9) Notwithstanding any provision to the contrary, for taxable years two thousand twenty-four and thereafter, an eligible individual, who filed a New York personal income tax return using a valid United States individual taxpayer identification number (ITIN) or if such individual otherwise satisfies the requirements of this paragraph, shall be eligible for the credit under this subsection. A federal individual taxpayer identification number or a social security number must be provided for each spouse in the case of a couple filing jointly or separately and for each child in order to be eligible for the credit. For purposes of this paragraph, an eligible individual, upon request by the commissioner, shall be required to submit proof including, but not limited to, (i) (A) an eligible individual filed a tax return for each tax year such credit is allowed with the department using a valid United States individual taxpayer identification number, or (B) alternatively, such individual may submit one or more proofs of work described in paragraph (k) of subdivision five of section two of part EEE of chapter fifty-nine of the laws of two thousand twenty-one; and (ii) the proof of identity as described in paragraph (a) of subdivision five of section two of part EEE of chapter fifty-nine of the laws of two thousand twenty-one. The commissioner in conjunction with the commissioner of labor may, by regulation, establish alternative documents that sufficiently demonstrate an eligible individual’s qualification for the tax credit, including but not limited to proof of identity as described in paragraph (a) of subdivision five of section two of part EEE of chapter fifty-nine of the laws of two thousand twenty-one, provided that such additional documents clearly demonstrate that such individual was employed and received monetary earnings for each tax year such individual is eligible for the credit prior to the date such individual certifies that they became eligible for the credit allowed under this subsection.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on and after January 1, 2024. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

PART W

Section 1. Subsection (c-1) of section 606 of the tax law is amended by adding a new paragraph 5 to read as follows:

(5) (A) For tax year two thousand twenty-three, the commissioner shall issue a payment of a supplemental empire state child credit in the amount of (i) one hundred percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was less than ten thousand dollars; (ii) seventy-five percent of the empire state child credit calculated and allowed pursuant to this subsection to taxpayers whose federal adjusted gross income was greater than or equal to ten thousand dollars but less than twenty-five thousand dollars; (iii) fifty percent of the empire state child credit calculated and allowed pursuant to this subsection to
taxpayers whose federal adjusted gross income was greater than or equal
to twenty-five thousand dollars but less than fifty thousand dollars;
and (iv) twenty-five percent of the empire state child credit calculated
and allowed pursuant to this subsection to taxpayers whose federal
adjusted gross income was greater than or equal to fifty thousand
dollars. Provided, however, that no payment shall be issued if it is
less than twenty-five dollars.

(B) The supplemental payment pursuant to this paragraph shall be
allowed to taxpayers who timely filed returns pursuant to section six
hundred fifty-one of this article, determined with regard to extensions
pursuant to section six hundred fifty-seven of this article.

§ 2. This act shall take effect immediately.

PART X

Section 1. Paragraphs 1, 2, and 3 of subsection (n-1) of section 606
of the tax law, as amended by section 1 of part BB of chapter 59 of the
laws of 2022, are amended to read as follows:

(1) An individual taxpayer who meets the eligibility standards in
paragraph two of this subsection shall be allowed a credit against the
taxes imposed by this article in the amount specified in paragraph three
of this subsection for tax year two thousand [twenty-two] twenty-four.

(2) To be eligible for the credit, the taxpayer (or taxpayers filing
joint returns) (a) must own and primarily reside in real property
receiving either the STAR exemption authorized by section four hundred
fifty-two of the real property tax law or the school tax relief credit
authorized by subsection (eee) of this section, and (b) must have had
qualified gross income no greater than two hundred fifty thousand
dollars in tax year two thousand [twenty-two] twenty-two.

(3) Amount of credit. (a) For a taxpayer who owned and primarily
resided in real property receiving the basic STAR exemption or who
received the basic STAR credit, the amount of the credit shall equal the
STAR tax savings associated with such basic STAR exemption in the two
thousand [twenty-one] twenty-three--two thousand [twenty-two] twenty-
four school year, multiplied by the following percentage:

(i) For a taxpayer whose primary residence is located outside the city
of New York:

<table>
<thead>
<tr>
<th>Qualified Gross Income</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $75,000</td>
<td>[163%] 70%</td>
</tr>
<tr>
<td>Over $75,000 but not over $150,000</td>
<td>[115%] 50%</td>
</tr>
<tr>
<td>Over $150,000 but not over $200,000</td>
<td>[66%] 30%</td>
</tr>
<tr>
<td>Over $200,000 but not over $250,000</td>
<td>18%</td>
</tr>
<tr>
<td>Over $250,000</td>
<td>No credit</td>
</tr>
</tbody>
</table>

(ii) For a taxpayer whose primary residence is located within the city
of New York:

<table>
<thead>
<tr>
<th>Qualified Gross Income</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not over $75,000</td>
<td>[125%] 85%</td>
</tr>
<tr>
<td>Over $75,000 but not over $150,000</td>
<td>[115%] 60%</td>
</tr>
<tr>
<td>Over $150,000 but not over $200,000</td>
<td>[105%] 40%</td>
</tr>
<tr>
<td>Over $200,000 but not over $250,000</td>
<td>[100%] 28%</td>
</tr>
<tr>
<td>Over $250,000</td>
<td>No credit</td>
</tr>
</tbody>
</table>

(b) For a taxpayer who owned and primarily resided in real property
receiving the enhanced STAR exemption or who received the enhanced STAR
credit, the amount of the credit shall equal the STAR tax savings asso-
ciated with such enhanced STAR exemption in the two thousand [twenty-
one] twenty-three--two thousand [twenty-two] twenty-four school year,
multiplied by thirty percent if the taxpayer's primary residence is located outside the city of New York, or [one hundred ten] forty percent if the taxpayer's primary residence is located within the city of New York.

(c) In no case may the amount of the credit allowed under this subsection exceed the school district taxes due with respect to the residence for that school year, nor shall any credit be allowed under this subsection if the amount determined pursuant to this paragraph is less than one hundred dollars.

§ 2. This act shall take effect immediately.

PART Y

Section 1. Subdivision (a) of section 1115 of the tax law is amended by adding a new paragraph 47 to read as follows:

(47) Fire extinguishers, fire alarms, heat alarms or carbon monoxide alarms purchased for residential use during the month of October.

§ 2. This act shall take effect on the thirtieth day after it shall have become a law.

PART Z

Section 1. Subdivision (a) of section 1115 of the tax law is amended by adding a new paragraph 47 to read as follows:

(47) School supplies or items commonly used by a student in a course of study for which the receipt or consideration given or contracted to be given is less than one hundred ten dollars per item, which shall include, but not be limited to, book bags or backpacks, textbooks, pens, pencils, highlighters, crayons, markers, erasers, index cards, paper, notebooks, binders, folders, scissors, rulers and calculators. Only the purchases made during the fifteen-day period commencing on the fifteenth day immediately preceding the first Monday in September, known as Labor Day, and ending on Labor Day, during each calendar year shall be exempt under this paragraph.

§ 2. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as amended by section 5 of part J of chapter 59 of the laws of 2021, is amended to read as follows:

(1) Either, all of the taxes described in article twenty-eight of this chapter, at the same uniform rate, as to which taxes all provisions of the local laws, ordinances or resolutions imposing such taxes shall be identical, except as to rate and except as otherwise provided, with the corresponding provisions in such article twenty-eight, including the definition and exemption provisions of such article, so far as the provisions of such article twenty-eight can be made applicable to the taxes imposed by such city or county and with such limitations and special provisions as are set forth in this article. The taxes authorized under this subdivision may not be imposed by a city or county unless the local law, ordinance or resolution imposes such taxes so as to include all portions and all types of receipts, charges or rents, subject to state tax under sections eleven hundred five and eleven hundred ten of this chapter, except as otherwise provided. Notwithstanding the foregoing, a tax imposed by a city or county authorized under this subdivision shall not include the tax imposed on charges for admission to race tracks and simulcast facilities under subdivision (f) of section eleven hundred five of this chapter. (i) Any local law, ordinance or resolution enacted by any city of less than one million or by
any county or school district, imposing the taxes authorized by this
subdivision, shall, notwithstanding any provision of law to the contra-
yry, exclude from the operation of such local taxes all sales of tangible
personal property for use or consumption directly and predominantly in
the production of tangible personal property, gas, electricity, refrig-
eration or steam, for sale, by manufacturing, processing, generating,
assembly, refining, mining or extracting; and all sales of tangible
personal property for use or consumption predominantly either in the
production of tangible personal property, for sale, by farming or in a
commercial horse boarding operation, or in both; and all sales of fuel
sold for use in commercial aircraft and general aviation aircraft; and,
unless such city, county or school district elects otherwise, shall omit
the provision for credit or refund contained in clause six of subdivi-
sion (a) or subdivision (d) of section eleven hundred nineteen of this
chapter. (ii) Any local law, ordinance or resolution enacted by any
city, county or school district, imposing the taxes authorized by this
subdivision, shall omit the residential solar energy systems equipment
and electricity exemption provided for in subdivision (ee), the com-
cercial solar energy systems equipment and electricity exemption provided
for in subdivision (ii), the commercial fuel cell electricity generating
systems equipment and electricity generated by such equipment exemption
provided for in subdivision (kk) [and] the clothing and footwear
exemption provided for in paragraph thirty of subdivision (a) of section
eleven hundred fifteen of this chapter, and the school supplies or items
commonly used by a student in a course of study exemption provided for
in paragraph forty-seven of subdivision (a) of section eleven hundred
fifteen of this chapter, unless such city, county or school district
elects otherwise as to such residential solar energy systems equipment
and electricity exemption, such commercial solar energy systems equip-
ment and electricity exemption, commercial fuel cell electricity gener-
at ing systems equipment and electricity generated by such equipment
exemption or such clothing and footwear exemption, or such school
supplies or items commonly used by a student in a course of study
exemption.

§ 3. Paragraph 4 of subdivision (a) of section 1210 of the tax law, as
amended by section 2 of part WW, subparagraphs (xii) and (xiii) as sepa-
rately amended and subparagraph (xiv) as added by section 6 of part Z of
chapter 60 of the laws of 2016, is amended to read as follows:
(4) Notwithstanding any other provision of law to the contrary, any
local law enacted by any city of one million or more that imposes the
taxes authorized by this subdivision (i) may omit the exception provided
in subparagraph (ii) of paragraph three of subdivision (c) of section
eleven hundred five of this chapter for receipts from laundering, dry-
cleaning, tailoring, weaving, pressing, shoe repairing and shoe shining;
(ii) may impose the tax described in paragraph six of subdivision (c) of
section eleven hundred five of this chapter at a rate in addition to the
rate prescribed by this section not to exceed two percent in multiples
of one-half of one percent; (iii) shall provide that the tax described
in paragraph six of subdivision (c) of section eleven hundred five of
this chapter does not apply to facilities owned and operated by the city
or an agency or instrumentality of the city or a public corporation the
majority of whose members are appointed by the chief executive officer
of the city or the legislative body of the city or both of them; (iv) shall
not include any tax on receipts from, or the use of, the services
described in paragraph seven of subdivision (c) of section eleven
hundred five of this chapter; (v) shall provide that, for purposes of
the tax described in subdivision (e) of section eleven hundred five of
this chapter, "permanent resident" means any occupant of any room or
rooms in a hotel for at least one hundred eighty consecutive days with
regard to the period of such occupancy; (vi) may omit the exception
provided in paragraph one of subdivision (f) of section eleven hundred
five of this chapter for charges to a patron for admission to, or use
of, facilities for sporting activities in which the patron is to be a
participant, such as bowling alleys and swimming pools; (vii) may
provide the clothing and footwear exemption in paragraph thirty of
subdivision (a) of section eleven hundred fifteen of this chapter, and,
notwithstanding any provision of subdivision (d) of this section to the
contrary, any local law providing for such exemption or repealing such
exemption, may go into effect on any one of the following dates: March
first, June first, September first or December first; (viii) shall omit
the exemption provided in paragraph forty-one of subdivision (a) of
section eleven hundred fifteen of this chapter; (ix) shall omit the
exemption provided in subdivision (c) of section eleven hundred fifteen
of this chapter insofar as it applies to fuel, gas, electricity, refrig-
eration and steam, and gas, electric, refrigeration and steam service of
whatever nature for use or consumption directly and exclusively in the
production of gas, electricity, refrigeration or steam; (x) shall omit,
unless such city elects otherwise, the provision for refund or credit
contained in clause six of subdivision (a) or in subdivision (d) of
section eleven hundred nineteen of this chapter; (xii) shall omit,
unless such city elects otherwise, the exemption for residential solar
energy systems equipment and electricity provided in subdivision (ee) of
section eleven hundred fifteen of this chapter; (xiii) shall omit,
unless such city elects otherwise, the exemption for commercial solar
energy systems equipment and electricity provided in subdivision (ii) of
section eleven hundred fifteen of this chapter; [and] (xiv) shall
exclude from the operation of such local taxes all sales of fuel sold
for use in commercial aircraft and general aviation aircraft[. (xiv)],
(xv) shall omit, unless such city elects otherwise, the exemption for
commercial fuel cell electricity generating systems equipment and elec-
tricity generated by such equipment provided in subdivision (kk) of
section eleven hundred fifteen of this chapter[.]; and (xvi) may
provide the school supplies and items commonly used by a student in a
course of study exemption in paragraph forty-seven of subdivision
(a) of section eleven hundred fifteen of this chapter, and, notwith-
standing any provision of subdivision (d) of this section to the
contrary, any local law providing for such exemption or repealing such
exemption, may be applicable only to the purchases made during the
fifteen-day period commencing on the fifteenth day immediately preceding
the first Monday in September, known as Labor Day, and ending on Labor
Day, during each calendar year. Any reference in this chapter or in any
local law, ordinance or resolution enacted pursuant to the authority of
this article to former subdivisions (n) or (p) of this section shall be
deemed to be a reference to clauses (xii) or (xiii) of this paragraph,
respectively, and any such local law, ordinance or resolution that
provides the exemptions provided in such former subdivisions (n) and/or
(p) shall be deemed instead to provide the exemptions provided in claus-
es (xii) and/or (xiii) of this paragraph.

§ 4. This act shall take effect immediately.
Section 1. Section 1115 of the tax law is amended by adding two new subdivisions (ll) and (mm) to read as follows:

(ll) The following shall be exempt from tax under this article: (1) Receipts from the retail sale of, and consideration given or contracted to be given for, or for the use of, residential energy storage systems equipment and the service of installing such systems. For the purposes of this subdivision, "residential energy storage systems equipment" shall mean an arrangement or combination of components installed in a residence that stores electricity for use at a later time to provide heating, cooling, hot water and/or electricity.

(2) Receipts from the sale of electricity by a person primarily engaged in the sale of energy storage system equipment and/or electricity generated by such equipment pursuant to a written agreement under which such electricity is generated by residential energy system storage equipment that is: (A) owned by a person other than the purchaser of such electricity; (B) installed on residential property of the purchaser of such electricity; and (C) used to provide heating, cooling, hot water or electricity.

(mm) The following shall be exempt from tax under this article: (1) Receipts from the retail sale of, and consideration given or contracted to be given for, or for the use of, commercial energy storage systems equipment and the costs of installing such systems. For the purposes of this subdivision, "commercial energy storage systems equipment" shall mean an arrangement or combination of components installed upon non-residential premises that stores electricity for use at a later time to provide heating, cooling, hot water and/or electricity.

(2) Receipts from the sale of electricity by a person primarily engaged in the sale of energy storage system equipment and/or electricity generated by such equipment pursuant to a written agreement under which the electricity is generated by commercial energy system equipment that is: (A) owned by a person other than the purchaser of such electricity; (B) installed on the non-residential premises of the purchaser of such electricity; and (C) used to provide heating, cooling, hot water or electricity.

§ 2. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as amended by section 5 of part J of chapter 59 of the laws of 2021, is amended to read as follows:

(1) Either, all of the taxes described in article twenty-eight of this chapter, at the same uniform rate, as to which taxes all provisions of the local laws, ordinances or resolutions imposing such taxes shall be identical, except as to rate and except as otherwise provided, with the corresponding provisions in such article twenty-eight, including the definition and exemption provisions of such article, so far as the provisions of such article twenty-eight can be made applicable to the taxes imposed by such city or county and with such limitations and special provisions as are set forth in this article. The taxes authorized under this subdivision may not be imposed by a city or county
unless the local law, ordinance or resolution imposes such taxes so as to include all portions and all types of receipts, charges or rents, subject to state tax under sections eleven hundred five and eleven hundred ten of this chapter, except as otherwise provided. Notwithstanding the foregoing, a tax imposed by a city or county authorized under this subdivision shall not include the tax imposed on charges for admission to race tracks and simulcast facilities under subdivision (f) of section eleven hundred five of this chapter. (i) Any local law, ordinance or resolution enacted by any city of less than one million or by any county or school district, imposing the taxes authorized by this subdivision, shall, notwithstanding any provision of law to the contrary, exclude from the operation of such local taxes all sales of tangible personal property for use or consumption directly and predominantly in the production of tangible personal property, gas, electricity, refrigeration or steam, for sale, by manufacturing, processing, generating, assembly, refining, mining or extracting; and all sales of tangible personal property for use or consumption predominantly either in the production of tangible personal property, for sale, by farming or in a commercial horse boarding operation, or in both; and all sales of fuel sold for use in commercial aircraft and general aviation aircraft; and, unless such city, county or school district elects otherwise, shall omit the provision for credit or refund contained in clause six of subdivision (a) or subdivision (d) of section eleven hundred nineteen of this chapter. (ii) Any local law, ordinance or resolution enacted by any city, county or school district, imposing the taxes authorized by this subdivision, shall omit the residential solar energy systems equipment and electricity exemption provided for in subdivision (ee), the commercial solar energy systems equipment and electricity exemption provided for in subdivision (ii), the commercial fuel cell electricity generating systems equipment and electricity generated by such equipment exemption provided for in subdivision (kk), the residential energy storage systems equipment and electricity exemption provided for in subdivision (ll), the commercial energy storage systems equipment and electricity exemption provided for in subdivision (mm) and the clothing and footwear exemption provided for in paragraph thirty of subdivision (a) of section eleven hundred fifteen of this chapter, unless such city, county or school district elects otherwise as to such residential solar energy systems equipment and electricity exemption, such commercial solar energy systems equipment and electricity exemption, commercial fuel cell electricity generating systems equipment and electricity generated by such equipment exemption or such clothing and footwear exemption.

§ 3. Subdivision (d) of section 1210 of the tax law, as amended by section 4 of part WW of chapter 60 of the laws of 2016, is amended to read as follows:

(d) A local law, ordinance or resolution imposing any tax pursuant to this section, increasing or decreasing the rate of such tax, repealing or suspending such tax, exempting from such tax the energy sources and services described in paragraph three of subdivision (a) or of subdivision (b) of this section or changing the rate of tax imposed on such energy sources and services or providing for the credit or refund described in clause six of subdivision (a) of section eleven hundred nineteen of this chapter, or electing or repealing the exemption for residential solar equipment and electricity in subdivision (ee) of section eleven hundred fifteen of this article, or the exemption for commercial solar equipment and electricity in subdivision (ii) of section eleven hundred fifteen of this article, or electing or repealing
the exemption for commercial fuel cell electricity generating systems equipment and electricity generated by such equipment in subdivision (kk) of section eleven hundred fifteen of this article, or the exemption for residential energy storage equipment or electricity in subdivision (ll) of section eleven hundred fifteen of this article, or the exemption for commercial energy storage equipment and electricity in subdivision (mm) of section eleven hundred fifteen of this article must go into effect only on one of the following dates: March first, June first, September first or December first; provided, that a local law, ordinance or resolution providing for the exemption described in paragraph thirty of subdivision (a) of section eleven hundred fifteen of this chapter or repealing any such exemption or a local law, ordinance or resolution providing for a refund or credit described in subdivision (d) of section eleven hundred nineteen of this chapter or repealing such provision so provided must go into effect only on March first. No such local law, ordinance or resolution shall be effective unless a certified copy of such law, ordinance or resolution is mailed by registered or certified mail to the commissioner at the commissioner's office in Albany at least ninety days prior to the date it is to become effective. However, the commissioner may waive and reduce such ninety-day minimum notice requirement to a mailing of such certified copy by registered or certified mail within a period of not less than thirty days prior to such effective date if the commissioner deems such action to be consistent with the commissioner's duties under section twelve hundred fifty of this article and the commissioner acts by resolution. Where the restriction provided for in section twelve hundred twenty-three of this article as to the effective date of a tax and the notice requirement provided therein are applicable and have not been waived, the restriction and notice requirement in section twelve hundred twenty-three of this article shall also apply.

§ 4. This act shall take effect on the thirtieth day after it shall have become a law.

PART CC

Section 1. The tax law is amended by adding a new section 49 to read as follows:

§ 49. Work opportunity tax credit. (a) General. A taxpayer subject to tax under article nine-A, twenty-two, or thirty-three of this chapter shall be allowed a credit against such tax in an amount equal to one hundred percent of the credit that is allowed to the taxpayer under section 51 of the internal revenue code that is attributable to qualified wages paid to a New York resident who is a member of a targeted group and for whom a certificate to that effect has been issued by the department of labor.

(b) Definitions. The terms "qualified wages" and "targeted group" shall have the same meanings as in section 51 of the internal revenue code.

(c) Effect on other tax credits. Wages which are the basis of the credit under this section may not be used as the basis for any other credit allowed under this chapter.

(d) Limit on tax credits issued. Over the lifetime of the tax credit, the total amount of tax credits provided for under this section shall not exceed thirty million dollars.

(e) 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 60;
(2) article 22: section 606, subsection (bbb);
(3) article 33: section 1511, subdivision (ff).
§ 2. Section 210-B of the tax law is amended by adding a new subdivision 60 to read as follows:
60. Work opportunity tax credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article. Such credit may not exceed five hundred dollars per eligible employee per year in any given tax year.
(b) Application of credit. The credit allowed under this subdivision for any taxable year may not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year will be treated as an overpayment of tax to be credited in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.
§ 3. Section 606 of the tax law is amended by adding a new subsection (bbb) to read as follows:
(bbb) Work opportunity tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article. Such credit may not exceed five hundred dollars per eligible employee per year in any given tax year.
(2) Application of credit. 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.
§ 4. Section 1511 of the tax law is amended by adding a new subdivision (ff) to read as follows:
(ff) Work opportunity tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article. Such credit may not exceed five hundred dollars per eligible employee per year in any given tax year.
(2) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the taxpayer's tax to such amount, any amount of credit thus not deductible will be treated as an overpayment of tax to be credited in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.
§ 5. This act shall take effect April 1, 2025 and shall apply to taxable years beginning on and after January 1, 2025 and shall apply to
wages paid to individuals hired on and after such effective date and
shall expire and be deemed repealed December 31, 2027.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of
competent jurisdiction to be invalid, such judgment shall not affect,
impair, or invalidate the remainder thereof, but shall be confined in
its operation to the clause, sentence, paragraph, subdivision, section
or part thereof directly involved in the controversy in which such judg-
ment shall have been rendered. It is hereby declared to be the intent of
the legislature that this act would have been enacted even if such
invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that
the applicable effective date of Parts A through CC of this act shall be
as specifically set forth in the last section of such Parts.