A.B. 11006

PART CC

Section 1. The public housing law is amended by adding a new article 2-A to read as follows:

ARTICLE 2-A
NEW YORK STATE LOW INCOME HOUSING TAX CREDIT PROGRAM
SECTION 21. DEFINITIONS.

22. ALLOWANCE OF CREDIT, AMOUNT AND LIMITATIONS.

A. 11006

1. (A) "APPLICABLE PERCENTAGE" MEANS THE APPROPRIATED PERCENTAGE (DEPENDING ON WHETHER A BUILDING IS NEW, EXISTING, OR FEDERALLY SUBSIDIZED) PRESCRIBED BY THE SECRETARY OF THE TREASURY FOR PURPOSES OF SECTION 42 OF THE INTERNAL REVENUE CODE FOR THE MONTH WHICH IS THE EARLIER OF (I) THE MONTH IN WHICH THE ELIGIBLE LOW-INCOME BUILDING IS PLACED IN SERVICE, OR (II) AT THE ELECTION OF THE TAXPAYER, (A) THE MONTH IN WHICH THE TAXPAYER AND THE COMMISSIONER ENTER INTO AN AGREEMENT WITH RESPECT TO SUCH BUILDING (WHICH IS BINDING ON THE COMMISSIONER, THE TAXPAYER, AND ALL SUCCESSORS IN INTEREST) AS TO THE HOUSING CREDIT DOLLAR AMOUNT TO BE ALLOCATED TO SUCH BUILDING, OR (B) IN THE CASE OF ANY BUILDING TO WHICH SUBSECTION (H)(4)(B) OF SUCH SECTION 42 APPLIES, THE MONTH IN WHICH THE TAX-EXEMPT OBLIGATIONS ARE ISSUED. (B) A MONTH MAY BE ELECTED UNDER SUBPARAGRAPH (II) OF PARAGRAPH (A) OF THIS SUBDIVISION ONLY IF THE ELECTION IS MADE NOT LATER THAN THE FIFTH DAY AFTER THE CLOSE OF SUCH MONTH. SUCH ELECTION, ONCE MADE, SHALL BE IRREVOCABLE. (C) IF, AS OF THE CLOSE OF ANY TAXABLE YEAR IN THE CREDIT PERIOD, THE QUALIFIED BASIS OF AN ELIGIBLE LOW-INCOME BUILDING EXCEEDS SUCH BASIS AS OF THE CLOSE OF THE FIRST YEAR OF THE CREDIT PERIOD, THE APPLICABLE PERCENTAGE WHICH SHALL APPLY TO SUCH EXCESS SHALL BE TWO-THIRDS OF THE
28 APPLICABLE PERCENTAGE ORIGINALLY ASCRIBED TO SUCH BUILDING.
29 2. "COMPLIANCE PERIOD" MEANS, WITH RESPECT TO ANY BUILDING, THE PERIOD
30 OF FIFTEEN TAXABLE YEARS BEGINNING WITH THE FIRST TAXABLE YEAR OF THE
31 CREDIT PERIOD WITH RESPECT TO SUCH BUILDING.
32 3. "CREDIT PERIOD" MEANS, WITH RESPECT TO ANY ELIGIBLE LOW-INCOME
33 BUILDING, THE PERIOD OF TEN TAXABLE YEARS BEGINNING WITH
34 (A) THE TAXABLE YEAR IN WHICH THE BUILDING IS PLACED IN SERVICE, OR
35 (B) AT THE ELECTION OF THE TAXPAYER, THE SUCCEEDING TAXABLE YEAR,
36 BUT ONLY IF THE BUILDING IS AN ELIGIBLE LOW-INCOME BUILDING AS OF THE
37 CLOSE OF THE FIRST YEAR OF SUCH PERIOD. THE ELECTION UNDER PARAGRAPH
38 (B) OF THIS SUBDIVISION, ONCE MADE, SHALL BE IRREVOCABLE.
39 4. "ELIGIBILITY STATEMENT" MEANS A STATEMENT ISSUED BY THE COMMISSION-
40 ER CERTIFYING THAT A BUILDING IS AN ELIGIBLE LOW-INCOME BUILDING.
41 SUCH STATEMENT SHALL SET FORTH THE TAXABLE YEAR IN WHICH SUCH BUILDING
42 IS PLACED IN SERVICE, THE DOLLAR AMOUNT OF LOW-INCOME HOUSING CREDIT
43 ALLOCATED BY THE COMMISSIONER TO SUCH BUILDING AS PROVIDED IN
44 SUBDIVISION FIVE OF SECTION TWENTY-TWO OF THIS ARTICLE, THE APPLICABLE
45 PERCENTAGE AND MAXIMUM QUALIFIED BASIS WITH RESPECT TO SUCH BUILDING TAKEN
46 INTO ACCOUNT IN DETERMINING SUCH DOLLAR AMOUNT, SUFFICIENT INFORMATION
TO IDENTIFY EACH SUCH BUILDING AND THE TAXPAYER OR TAXPAYERS WITH
47 RESPECT TO EACH SUCH BUILDING, AND SUCH OTHER INFORMATION AS THE
48 COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF TAXATION AND FINANCE,
SHALL PREScribe. SUCH STATEMENT SHALL BE FIRST ISSUED FOLLOWING THE CLOSE OF
49 THE FIRST TAXABLE YEAR IN THE CREDIT PERIOD, AND THEREAFTER, TO THE
50 EXTENT REQUIRED BY THE COMMISSIONER OF TAXATION AND FINANCE, FOLLOWING
51 THE CLOSE OF EACH TAXABLE YEAR OF THE COMPLIANCE PERIOD.
52 5. "ELIGIBLE LOW-INCOME BUILDING" MEANS A BUILDING LOCATED IN THIS
53 STATE WHICH EITHER
54 A. 11006
55
56 1 (A) IS A QUALIFIED LOW-INCOME BUILDING AS DEFINED IN SECTION 42(C)
57 OF THE INTERNAL REVENUE CODE, OR
58 2 (B) WOULD BE A QUALIFIED LOW-INCOME BUILDING UNDER SUCH SECTION IF
59 THE
20-50 Test specified in subsection (G)(1) of such section were disregarded and the 40-60 Test specified in such subsection (requiring that at least forty percent of residential units be both rent-restricted and occupied by individuals whose income is sixty percent or less of area median gross income) were a 40-90 Test.

6. "Qualified Basis" of an eligible low-income building means the qualified basis of such building determined under section 42(c) of the Internal Revenue Code, or which would be determined under such section if the 40-90 Test specified in paragraph (b) of subdivision five of this section applied under such section 42 to determine if such building were part of a qualified low-income housing project.

7. References in this article to section 42 of the Internal Revenue Code shall mean such section as amended from time to time.

22. Allowance of credit, amount and limitations. 1. A taxpayer subject to tax under article nine-a, twenty-two, thirty-two or thirty-three of the tax law which owns an interest in one or more eligible low-income buildings shall be allowed a credit against such tax for the amount of low-income housing credit allocated by the commissioner to each such building. Except as provided in subdivision two of this section, the credit amount so allocated shall be allowed as a credit against the tax for the ten taxable years in the credit period.

2. Adjustment of first-year credit allowed in eleventh year. The credit allowable for the first taxable year of the credit period with respect to any building shall be adjusted using the rules of section 42(f)(2) of the internal revenue code (relating to first-year adjustment of qualified basis by the weighted average of low-income to total residential units), and any reduction in first-year credit by reason of such adjustment shall be allowable for the first taxable year following the credit period.

3. Amount of credit. Except as provided in subdivisions four and five of this section, the amount of low-income housing credit shall be...
35 APPLICABLE PERCENTAGE OF THE QUALIFIED BASIS OF EACH ELIGIBLE LOW-INCOME BUILDING.
36
37  4. STATEWIDE LIMITATION. THE AGGREGATE DOLLAR AMOUNT OF CREDIT WHICH
38  THE COMMISSIONER MAY ALLOCATE TO ELIGIBLE LOW-INCOME BUILDINGS
39 UNDER THIS ARTICLE SHALL BE TWO MILLION DOLLARS. THE LIMITATION PROVIDED
40 BY THIS SUBDIVISION APPLIES ONLY TO ALLOCATION OF THE AGGREGATE DOLLAR
41 AMOUNT OF CREDIT BY THE COMMISSIONER, AND DOES NOT APPLY TO ALLOWANCE TO
42 A TAXPAYER OF THE CREDIT WITH RESPECT TO AN ELIGIBLE LOW-INCOME BUILDING
43 FOR EACH YEAR OF THE CREDIT PERIOD.
44  5. BUILDING LIMITATION. THE DOLLAR AMOUNT OF CREDIT ALLOCATED TO
45 ANY BUILDING SHALL NOT EXCEED THE AMOUNT THE COMMISSIONER DETERMINES
46 IS NECESSARY FOR THE FINANCIAL FEASIBILITY OF THE PROJECT AND THE
47 VIABILITY OF THE BUILDING AS AN ELIGIBLE LOW-INCOME BUILDING THROUGHOUT THE
48 CREDIT PERIOD. IN ALLOCATING A DOLLAR AMOUNT OF CREDIT TO ANY BUILDING, THE
49 COMMISSIONER SHALL SPECIFY THE APPLICABLE PERCENTAGE AND THE
50 MAXIMUM QUALIFIED BASIS WHICH MAY BE TAKEN INTO ACCOUNT UNDER THIS ARTICLE WITH
51 RESPECT TO SUCH BUILDING. THE APPLICABLE PERCENTAGE AND THE
52 MAXIMUM QUALIFIED BASIS WITH RESPECT TO A BUILDING SHALL NOT EXCEED THE
53 AMOUNTS DETERMINED IN SUBDIVISIONS ONE AND SIX, RESPECTIVELY, OF SECTION
54 TWENTY-ONE OF THIS ARTICLE.
55  6. LONG-TERM COMMITMENT TO LOW-INCOME HOUSING REQUIRED. NO CREDIT
56 SHALL BE ALLOWED UNDER THIS ARTICLE WITH RESPECT TO A BUILDING FOR THE
57 A. 11006
58
59  1 TAXABLE YEAR UNLESS AN EXTENDED LOW-INCOME HOUSING COMMITMENT IS IN
60 EFFECT AS OF THE END OF SUCH TAXABLE YEAR. FOR PURPOSES OF THIS
61 SUBDIVISION, THE TERM "EXTENDED LOW-INCOME HOUSING COMMITMENT" MEANS AN
62 AGREEMENT BETWEEN THE TAXPAYER AND THE COMMISSIONER SUBSTANTIALLY SIMILAR TO
63 THE AGREEMENT SPECIFIED IN SECTION 42(H)(6)(B) OF THE INTERNAL REVENUE
64 CODE.
65  7. CREDIT TO SUCCESSOR OWNER. IF A CREDIT IS ALLOWED UNDER SUBDIVISION
8 ONE OF THIS SECTION WITH RESPECT TO AN ELIGIBLE LOW-INCOME BUILDING AND
9 SUCH BUILDING (OR AN INTEREST THEREIN) IS SOLD DURING THE CREDIT
PERIOD,
10 THE CREDIT FOR THE PERIOD AFTER THE SALE WHICH WOULD HAVE BEEN
ALLOWABLE
11 UNDER SUCH SUBDIVISION ONE TO THE PRIOR OWNER HAD THE BUILDING NOT
BEEN
12 SOLD SHALL BE ALLOWABLE TO THE NEW OWNER. CREDIT FOR THE YEAR OF
SALE
13 SHALL BE ALLOCATED BETWEEN THE PARTIES ON THE BASIS OF THE NUMBER
OF
14 DAYS DURING SUCH YEAR THAT THE BUILDING OR INTEREST WAS HELD BY EACH.

S 23. PROJECT MONITORING. THE COMMISSIONER SHALL ESTABLISH SUCH
PROCE-
DURES AS HE DEEMS NECESSARY FOR MONITORING COMPLIANCE OF AN
ELIGIBLE
LOW-INCOME BUILDING WITH THE PROVISIONS OF THIS ARTICLE, AND FOR
NOTIFY-
ING THE COMMISSIONER OF TAXATION AND FINANCE OF ANY SUCH
NONCOMPLIANCE
OF WHICH HE BECOMES AWARE.

S 24. CREDIT RECAPTURE. IF, AS OF THE CLOSE OF ANY TAXABLE YEAR IN
THE
COMPLIANCE PERIOD, THE AMOUNT OF THE QUALIFIED BASIS OF ANY
BUILDING
WITH RESPECT TO THE TAXPAYER IS LESS THAN THE AMOUNT OF SUCH BASIS AS
OF
THE CLOSE OF THE PRECEDING TAXABLE YEAR, THE CREDIT UNDER THIS
ARTICLE
MAY BE RECAPTURED AS PROVIDED IN SECTION EIGHTEEN OF THE TAX LAW.

S 25. REGULATIONS, COORDINATION WITH FEDERAL LOW-INCOME HOUSING
CREDIT
PROVISIONS. 1. THE COMMISSIONER SHALL PROMULGATE RULES AND
REGULATIONS
NECESSARY TO ADMINISTER THE PROVISIONS OF THIS ACT.
2. THE PROVISIONS OF SECTION 42 OF THE INTERNAL REVENUE CODE
SHALL
APPLY TO THE CREDIT UNDER THIS ARTICLE, PROVIDED HOWEVER, TO THE
EXTENT
SUCH PROVISIONS ARE INCONSISTENT WITH THIS ARTICLE, THE PROVISIONS
OF
THIS ARTICLE SHALL CONTROL.

S 2. The tax law is amended by adding a new section 18 to read as
follows:

S 18. LOW-INCOME HOUSING CREDIT. (A) ALLOWANCE OF CREDIT. A
TAXPAYER
SUBJECT TO TAX UNDER ARTICLE NINE-A, TWENTY-TWO, THIRTY-TWO OR
THIRTY-THREE OF THIS CHAPTER SHALL BE ALLOWED A CREDIT AGAINST SUCH
TAX,
PURSUANT TO THE PROVISIONS REFERENCED IN SUBDIVISION (D) OF
THIS
SECTION, WITH RESPECT TO THE OWNERSHIP OF ELIGIBLE LOW-INCOME
BUILDINGS
FOR WHICH AN ELIGIBILITY STATEMENT HAS BEEN ISSUED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL. THE AMOUNT OF THE CREDIT SHALL BE THE CREDIT AMOUNT FOR EACH SUCH BUILDING AlLOCATED BY SUCH COMMISSIONER AS PROVIDED IN ARTICLE TWO-A OF THE PUBLIC HOUSING LAW. THE CREDIT AMOUNT SHALL BE ALLOWED FOR EACH OF THE TEN TAXABLE YEARS IN THE CREDIT PERIOD, AND ANY REDUCTION IN FIRST-YEAR CREDIT AS PROVIDED IN SUBDIVISION TWO OF SECTION TWENTY-TWO OF SUCH LAW SHALL BE ALLOWED IN THE ELEVENTH TAXABLE YEAR.

(B) CREDIT RECAPTURE. (1) GENERAL. IF, AS OF THE CLOSE OF ANY TAXABLE YEAR IN THE COMPLIANCE PERIOD, THE AMOUNT OF THE QUALIFIED BASIS OF ANY BUILDING WITH RESPECT TO THE TAXPAYER IS LESS THAN THE AMOUNT OF SUCH BASIS AS OF THE CLOSE OF THE PRECEDING TAXABLE YEAR, THEN THE CREDIT RECAPTURE AMOUNT MUST BE ADDED BACK FOR THE TAXABLE YEAR.

(2) CREDIT RECAPTURE AMOUNT. THE CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE SUM OF:

A. 11006

1 (A) THE AGGREGATE DECREASE IN THE CREDITS ALLOWED TO THE TAXPAYER UNDER THIS SECTION FOR ALL PRIOR TAXABLE YEARS WHICH WOULD HAVE RESULTED IF THE ACCELERATED PORTION OF THE CREDIT ALLOWABLE BY REASON OF THIS SECTION WERE NOT ALLOWED FOR ALL PRIOR TAXABLE YEARS WITH RESPECT TO THE EXCESS OF THE AMOUNT DESCRIBED IN SUBPARAGRAPH (B) OF PARAGRAPH (1) OF THIS SUBDIVISION OVER THE AMOUNT DESCRIBED IN SUBPARAGRAPH (A) OF SUCH PARAGRAPH, PLUS

B. INTEREST AT THE OVERPAYMENT RATE ESTABLISHED UNDER SECTION THOUSAND NINETY-SIX OF THIS CHAP TER ON THE AMOUNT DETERMINED UNDER SUBPARAGRAPH (A) OF THIS PARAGRAPH FOR EACH PRIOR TAXABLE YEAR FOR THE PERIOD BEGINNING ON THE DUE DATE FOR FILING THE REPORT FOR THE PRIOR TAXABLE YEAR INVOLVED.

(3) ACCELERATED PORTION OF CREDIT. FOR PURPOSES OF PARAGRAPH TWO OF
THIS SUBDIVISION, THE ACCELERATED PORTION OF THE CREDIT FOR THE PRIOR TAXABLE YEARS WITH RESPECT TO ANY AMOUNT OF BASIS IS THE EXCESS OF (A) THE AGGREGATE CREDIT ALLOWED BY REASON OF THIS SECTION REGARD TO THIS SUBDIVISION) FOR SUCH YEARS WITH RESPECT TO SUCH BASIS, OVER (B) THE AGGREGATE CREDIT WHICH WOULD BE ALLOWABLE BY REASON OF THIS SECTION FOR SUCH YEARS WITH RESPECT TO SUCH BASIS IF THE AGGREGATE CREDIT WHICH WOULD (BUT FOR THIS SUBDIVISION) HAVE BEEN ALLOWED FOR THE ENTIRE COMPLIANCE PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

(4) SPECIAL RULES. FOR PURPOSES OF THIS SUBDIVISION, THE RULES OF SECTION 42 (J)(4)(B) AND (C) OF THE INTERNAL REVENUE CODE SHALL APPLY IN DETERMINING THE CREDIT RECAPTURE AMOUNT.

(5) EXCEPTIONS TO RECAPTURE. RECAPTURE UNDER THIS SUBDIVISION SHALL NOT APPLY TO A REDUCTION IN QUALIFIED BASIS (A) BY REASON OF A CASUALTY LOSS, IF THE COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL, DETERMINES THAT SUCH LOSS IS RESTORED BY RECONSTRUCTION OR REPLACEMENT WITHIN A REASONABLE PERIOD, OR

(B) BY REASON OF A CHANGE IN FLOOR SPACE DEVOTED TO LOW-INCOME UNITS IN A BUILDING, IF SUCH BUILDING REMAINS AN ELIGIBLE LOW-INCOME BUILDING AFTER SUCH CHANGE, AND IF THE COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL, DETERMINES THAT SUCH CHANGE IS DE MINIMIS, OR

(C) BY REASON OF ERROR IN COMPLYING WITH LOW-INCOME ELIGIBILITY TESTS REFERRED TO IN SUBDIVISION FIVE OF SECTION TWENTY-ONE OF THE PUBLIC HOUSING LAW, IF THE COMMISSIONER, IN CONSULTATION WITH THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL, DETERMINES THAT SUCH ERROR IS DE MINIMIS.

(6) RECAPTURE BY PARTNERS OF A PARTNERSHIP. IN THE CASE OF OWNERSHIP OF A BUILDING OR INTEREST THEREIN BY A PARTNERSHIP WHICH HAS THIRTY-FIVE OR MORE PARTNERS, THE PROVISIONS OF SECTION 42(J)(5) OF THE INTERNAL REVENUE CODE SHALL APPLY TO ANY RECAPTURE UNDER THIS SUBDIVISION UNLESS THE PARTNERSHIP ELECTS NOT TO HAVE SUCH PROVISIONS APPLY.
(7) BOND IN LIEU OF RECAPTURE. IN THE CASE OF A DISPOSITION OF A BUILDING OR AN INTEREST THEREIN, THE TAXPAYER SHALL BE DISCHARGED FROM LIABILITY FOR ANY RECAPTURE UNDER THIS SUBDIVISION BY REASON OF SUCH DISPOSITION IF THE TAXPAYER FURNISHES TO THE COMMISSIONER A BOND OR OTHER SECURITY ACCEPTABLE TO THE COMMISSIONER IN AN AMOUNT SATISFACTORY TO THE COMMISSIONER AND FOR THE PERIOD REQUIRED BY THE COMMISSIONER, AND IT IS REASONABLY EXPECTED THAT SUCH BUILDING WILL CONTINUE TO BE OPERATED AS AN ELIGIBLE LOW-INCOME BUILDING FOR THE REMAINING COMPLIANCE PERIOD WITH RESPECT TO SUCH BUILDING.

A. 11006

1 (C) CONSTRUCTION WITH PUBLIC HOUSING LAW; DEFINITIONS. THE PROVISIONS OF THIS SECTION SHALL BE CONSTRUED IN CONJUNCTION WITH THE PROVISIONS OF ARTICLE TWO-A OF THE PUBLIC HOUSING LAW. FOR DEFINITIONS RELATING TO THE LOW-INCOME HOUSING CREDIT, SEE SECTION TWENTY-ONE OF SUCH LAW.

2 (D) CROSS-REFERENCES. FOR APPLICATION OF THE CREDIT PROVIDED FOR IN THIS SECTION, SEE THE FOLLOWING PROVISIONS OF THIS CHAPTER:

3 (1) ARTICLE 9-A: SECTION 210: SUBDIVISION 30,

4 (2) ARTICLE 22: SECTION 606: SUBSECTIONS (I) AND (X),

5 (3) ARTICLE 32: SECTION 1456: SUBSECTION (L),

6 (4) ARTICLE 33: SECTION 1511: SUBDIVISION (N).

S 3. Section 210 of the tax law is amended by adding a new subdivision 30 to read as follows:

30. LOW-INCOME HOUSING CREDIT. (A) ALLOWANCE OF CREDIT. A TAXPAYER SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE WITH RESPECT TO THE OWNERSHIP OF ELIGIBLE LOW-INCOME BUILDINGS, COMPUTED AS PROVIDED IN SECTION EIGHTEEN OF THIS CHAPTER.

(B) APPLICATION OF CREDIT. THE CREDIT AND CARRYOVERS OF SUCH CREDIT ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE YEAR SHALL NOT, IN THE AGGREGATE, REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE HIGHER OF THE AMOUNTS PRESCRIBED IN PARAGRAPHS (C) AND (D) OF SUBDIVISION ONE OF THIS SECTION. HOWEVER, IF THE AMOUNT OF CREDIT OR CARRYOVERS OR SUCH CREDIT, OR BOTH, ALLOWED UNDER THIS SUBDIVISION FOR ANY TAXABLE
REDUCES THE TAX TO SUCH AMOUNT, ANY AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT THUS NOT DEDUCTIBLE IN SUCH TAXABLE YEAR MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR YEARS AND MAY BE DEDUCTED FROM THE TAX FOR SUCH YEAR OR YEARS.

(C) CREDIT RECAPTURE. FOR PROVISIONS REQUIRING RECAPTURE OF CREDIT, SEE SUBDIVISION (B) OF SECTION EIGHTEEN OF THIS CHAPTER.

S 4. Paragraph 1 of subsection (i) of section 606 of the tax law, as amended by section 2 of part J of chapter 407 of the laws of 1999, is amended to read as follows:

(1) For purposes of determining the application under this section of the credit provisions enumerated in the following table, a shareholder of a New York S corporation:

(A) shall be treated as the taxpayer with respect to his or her pro rata share of the corresponding credit base of such corporation, determined for the corporation's taxable year ending with or within the shareholder's taxable year and

(B) shall be treated as the owner of a new business with respect to such share if the corporation qualifies as a new business pursuant to paragraph (j) of subdivision twelve of section two hundred ten of this chapter, unless the shareholder has previously received a refund by reason of the application of this subparagraph, or this subsection as it was in effect for taxable years beginning before nineteen hundred ninety-four.

With respect to the following credit or section two hundred ten under this section:

A. Investment tax credit investment credit base

or qualified rehabilitation

1  expenditures under

2  subdivision twelve of

3  section two hundred ten
4 Economic development zone investment tax credit under subsection (j) of section two hundred ten

9 Economic development zone wage tax credit under subsection (k) of section two hundred ten or subdivision (e) of section fourteen hundred fifty-six

15 Economic development zone capital tax credit under subsection (1) of section two hundred ten or subdivision twenty of section fourteen hundred fifty-six

22 Agricultural property tax credit under subsection (n) of section two hundred ten or subdivision twenty-two of section two hundred ten

26 Credit for employment of persons with dis- abilities under subsection (o)

32 Employment incentive credit under subsection (a-1)

35 Economic development zone employment incentive credit under subsection (j-1)

38 Alternative fuels credit under subsection (p)

40 Qualified emerging technology company employment credit under subsection (q)

43 Qualified emerging technology company capital tax credit under subsection (r)

A. 11006

1 Credit for purchase of an automated external defibrillator under
defibrillator under subdivision twenty-five of
subsection (s)
subsection (j) of section
defibrillator under subdivision twenty-five of
subsection (s)
subsection (j) of section

LOW-INCOME HOUSING CREDIT AMOUNT UNDER
CREDIT UNDER SUBSECTION (X) SUBDIVISION THIRTY
OF SECTION TWO HUNDRED TEN OR
SUBSECTION (L) OF SECTION
FOURTEEN HUNDRED FIFTY-SIX

S 5. Section 606 of the tax law is amended by adding a new
subsection (x) to read as follows:
(X) LOW-INCOME HOUSING CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER
SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE
WITH RESPECT TO THE OWNERSHIP OF ELIGIBLE LOW-INCOME BUILDINGS, COMPUTED
AS PROVIDED IN SECTION EIGHTEEN OF THIS CHAPTER.
(2) APPLICATION OF CREDIT. IF THE AMOUNT OF CREDIT ALLOWABLE UNDER
THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL EXCEED THE TAXPAYER'S TAX FOR
SUCH YEAR, THE EXCESS MAY BE CARRIED OVER TO THE FOLLOWING YEAR OR
YEARS, AND MAY BE DEDUCTED FROM THE TAXPAYER'S TAX FOR SUCH YEAR OR
YEARS.
(3) CREDIT RECAPTURE. FOR PROVISIONS REQUIRING RECAPTURE OF CREDIT,
SEE SUBDIVISION (B) OF SECTION EIGHTEEN OF THIS CHAPTER.

S 6. Section 1456 of the tax law is amended by adding a new
subsection (l) to read as follows:
(L) LOW-INCOME HOUSING CREDIT. (1) ALLOWANCE OF CREDIT. A TAXPAYER
SHALL BE ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE
WITH RESPECT TO THE OWNERSHIP OF ELIGIBLE LOW-INCOME BUILDINGS, COMPUTED
AS PROVIDED IN SECTION EIGHTEEN OF THIS CHAPTER.
(2) APPLICATION OF CREDIT. THE CREDIT AND CARRYOVERS OF SUCH CREDIT
ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR SHALL NOT, IN
THE AGGREGATE, REDUCE THE TAX DUE FOR SUCH YEAR TO LESS THAN THE MINIMUM
TAX FIXED BY SUBSECTION (B) OF SECTION FOURTEEN HUNDRED FIFTY-FIVE OF
THIS ARTICLE. HOWEVER, IF THE AMOUNT OF CREDIT OR CARRYOVERS OF SUCH CREDIT,
OR BOTH, ALLOWED UNDER THIS SUBSECTION FOR ANY TAXABLE YEAR REDUCES
THE TAX TO SUCH AMOUNT, THEN ANY AMOUNT OF CREDIT OR CARRYOVERS OF SUCH
CREDIT thus not deductible in such taxable year may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.

(3) CREDIT recapture. For provisions requiring recapture of credit, see subdivision (b) of section eighteen of this chapter.

S 7. Section 1511 of the tax law is amended by adding a new subdivision (n) to read as follows:

(N) Low-income housing credit. (1) Allowance of credit. A taxpayer shall be allowed a credit against the tax imposed by this article with respect to the ownership of eligible low-income buildings, computed as provided in section eighteen of this chapter.

(2) Application of credit. The credit and carryovers of such credit allowed under this subdivision for any taxable year shall not, in the aggregate, reduce the tax due for such year to less than the minimum tax fixed by paragraph four of subdivision (a) of section fifteen hundred two of this article. However, if the amount of credit or carryovers of such credit, or both, allowed under this subdivision for any taxable year reduces the tax to such amount, then any amount of credit or carryovers of such credit thus not deductible in such taxable year may be carried over to the following year or years and may be deducted from the taxpayer's tax for such year or years.

(3) CREDIT recapture. For provisions requiring recapture of credit, see subdivision (b) of section eighteen of this chapter.

S 8. This act shall take effect immediately.