

1983 AMENDMENTS TO

INCOME TAX LAWS

Article 22

<u>Law Section</u>	<u>Chapter</u>	<u>Bill Section</u>	<u>Brief Summary</u>
606(a)(4)	15	71	Technical amendment to reflect the repeal of the safe-harbor leasing provisions in Code Section 168(f)(8) for leases entered into after 12/31/83.
606(h)(4)	15	72	Technical amendment to reflect the repeal of the safe-harbor leasing provisions in Code Section 168(f)(8) for leases entered into after 12/31/83.
612(b)(7)	648	5	Technical amendment to include reference to new Article 15-A of the Business Corporation Law. This amendment extends this plus modification to include shareholders of foreign professional service corporations which are authorized to do business in New York State under new Article 15-A. Effective 10/17/83
612(b)(8)	648	6	Technical amendment to include reference to new Article 15-A of the Business Corporation Law. This amendment extends this plus modification to include shareholders of foreign professional service corporations which are authorized to do business in New York State under new Article 15-A. Effective 10/17/83.
612(b)(9)	648	6	Technical amendment to include reference to new Article 15-A of the Business

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
			Corporation Law. This amendment extends this plus modification to include shareholders of foreign professional service corporations which are authorized to do business in New York State under new Article 15-A. Effective 10/17/83
612(b)(23)	15	73	Extends, to include taxable years beginning in 1984, this modification requiring an addback of any amount claimed as a deduction in arriving at FAGI solely because of the safe-harbor leasing rules in Code Section 168(f)(8) as such Code Section was in effect for agreements entered into prior to 1/1/84. Therefore, this modification will be required for taxable years beginning in 1982, 1983 and 1984. The exception that the modification does not apply to qualified mass commuting vehicles still applies.
612(b)(24)	15	73	Extends, to include taxable years beginning in 1984, this modification requiring an addition of any amount which the taxpayer would have been required to include in FAGI had the election in Code Section 168(f)(8) as such code section was in effect for agreements entered into prior to 1/1/84 not been made. Therefore, this modification will be required for taxable years beginning in 1982, 1983 and 1984. The exception that the modification does not apply to qualified mass commuting vehicles still applies.
612(b)(25)	15	73	Extends, to include taxable years beginning in 1984, this modification requiring the addback of the amount allowable as an ACRS deduction under Code Section 168. Therefore, this modification will be required for taxable years beginning in 1982, 1983 and 1984.
612(b)(27)	15	74	New plus modification which, upon the disposition of recovery property for which the ACRS deduction was not allowed for New York purposes, will require conforming the total depreciation allowed on recovery property for New York purposes under Section 612(c)(26) with the total ACRS deduction allowed on such recovery property for Federal purposes.

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
			<p>The amount of the modification is the amount, if any, by which the total New York depreciation claimed under Section 612(c)(26) on the recovery property exceeds the total ACRS deduction allowed on the recovery property for Federal purposes for which modifications were required under Section 612(b)(25).</p> <p>The modification required by this section is to be made in the year of disposition.</p> <p>Also see Section 612(c)(28).</p> <p><u>Applies to taxable years beginning after 12/31/81.</u></p>
612(b)(28)	400	9	<p>New plus modification requiring the addition of the amount of gross receipts tax imposed by new Article 13-A to the extent such gross receipts tax was deducted in arriving at Federal adjusted gross income.</p>
612(c)(24)	15	75	<p>Extends, to include taxable years beginning in 1984, the minus modification providing for the subtraction of any amount included in FAGI solely because of the safe-harbor leasing rules in Code Section 168(f)(8) as such Code Section was in effect for agreements entered into prior to 1/1/84. Therefore this modification is applicable to taxable years beginning in 1982, 1983 and 1984. The exception that the modification does not apply to qualified mass commuting vehicles still applies.</p>
612(c)(25)	15	75	<p>Extends, to include taxable years beginning in 1984, the minus modification providing for the subtraction of any amount which could have been excluded from FAGI had the election in Code Section 168(f)(8) as such section was in effect for agreements entered into prior to 1/1/84 not been made. Therefore, this modification is applicable to taxable years beginning in 1982, 1983 and 1984. The exception that the modification</p>

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
			does not apply to qualified mass commuting vehicles still applies.
612(c)(26)	15	75	Extends, to include taxable years beginning in 1984, the minus modification providing for a subtraction for depreciation on recovery property for which an ACRS deduction is allowed under Code Section 168 in an amount that would be allowable under Code Section 167 <u>as such section would have applied to property placed in service on 12/31/80.</u> Therefore, this modification is applicable to taxable years beginning in 1982, 1983 and 1984.
612(c)(28)	15	76	New minus modification which upon the disposition of recovery property for which the ACRS deduction was not allowed for New York purposes, will permit conforming the total depreciation allowed on recovery property for New York purposes under Section 612(c)(26) with the total ACRS deduction allowed on such property for Federal purposes. The amount of the modification is the amount, if any, by which the total ACRS deduction allowed on the recovery property for Federal purposes for which modifications were required under Section 612(b)(25) exceeds the total New York depreciation on the recovery property claimed under Section 612(c) (26). This modification is to be made in the year of disposition. Also, see Section 612(b)(27). <u>Applies to taxable years beginning after 12/31/81.</u>
615(c)(1)	424	2	Technical amendment to reflect the extension of higher City tax rates through 1984.
618(4)	15	77	Technical amendment to include reference to new paragraph (27) of Section 612(b) and new paragraph (28) of Section 612(c). <u>Applies to taxable years beginning after 12/31/81.</u>

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
	400	10	Technical amendment to include reference to new paragraph (28) of Section 612(b).
622(b)(6)	15	78	Provides that for property placed in service <u>before 1/1/85</u> , the Federal item of tax preference with respect to the accelerated cost recovery deduction shall be excluded in computing New York items of tax preference. This amendment applies to taxable years beginning <u>after 12/31/81</u> . Therefore, this modification reducing Federal items of tax preference is applicable to taxable years 1982, 1983 and 1984.
638(a)(3)	15	79	Technical amendment to include reference to new paragraph (27) of Section 612(b) and new paragraph (28) of Section 612(c). <u>Applies to taxable years beginning after 12/31/81.</u>
658(f)	648	7	Technical amendment to include reference to new Article 15-A of the Business Corporation Law. This amendment extends the authority of the Tax Commission to require information reporting by professional service corporations to include foreign professional service corporations authorized to do business in New York State. Effective 10/17/83
684(d)	15	80	<u>Repeals</u> this provision which had provided for no interest on interest. Takes effect 9/1/83 and applies to interest accruing on or after such date on amounts (including interest) remaining unpaid on or after such date.
684(f)	15	81	Provides that where the amount of tax for any taxable year is reduced by reason of a carryback of a net operating loss, such reduction in tax will not affect the computation of interest under Section 684 for the period ending with the <u>filing date for</u> (rather than the

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
			<p><u>last day of</u>) the taxable year in which the net operating loss arises. Such filing date is to be determined without regard to extensions of time to file.</p> <p>Applies to interest accruing on or after 9/1/83.</p>
688(a)	15	82	<p>Provides that in computing interest on an overpayment on a late filed return (determined with regard to extensions), no interest shall be allowed or paid for any day before the date on which the return was filed.</p> <p>Applies to returns filed on or after 9/1/83.</p>
688(d)	15	83	<p>Provides that where any overpayment of tax results from a carryback of a net operating loss, such overpayment will be deemed not to have been made prior to the <u>filing date for</u> (rather than the <u>close of</u>) the taxable year in which the net operating loss arises. Such filing date is to be determined without regard to extensions of time to file.</p> <p>For purposes of Section 688(c) (refund within three months of due date of tax) any overpayment resulting from a carryback of a net operating loss will be treated as an overpayment for the loss year and such Section 688(c) shall be applied with respect to such overpayment by treating the return for the loss year as not filed before claim for such overpayment is filed.</p> <p>Applies to interest accruing on or after 9/1/83.</p>
688(e),(f) and (g)	15	84	<p>Subsections (e) and (f) are relettered (f) and (g) and a new subsection (e) is added.</p> <p>New subsection (e) provides for no interest until return is in processible form.</p> <p>For purposes of subsections (a) and (c) of Section 688, a return will not be treated as filed until it is in processible form.</p>

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
			<p>A return is in processible form if:</p> <ol style="list-style-type: none">1. the return is filed on a permitted form; and2. such return contains the taxpayer's name, address, identifying number and required signatures; and3. such return contains sufficient required information to permit the mathematical verification of the tax liability shown on the return. <p>Applies to returns filed on or after 9/1/83.</p>
697(j)(4)	15	85	<p>Provides that in computing the amount of any interest required to be paid under Article 22 by the Tax Commission or the taxpayer or any other amount determined by reference to such amount of interest, <u>such interest or such other amount shall be compounded daily.</u></p> <p>This new paragraph (4) shall not apply for purposes of computing the amount of any addition to tax for failure to pay estimated tax under Section 685(c).</p> <p>Effective 9/1/83 and applicable to interest accruing on or after such date on amounts (including interest) remaining unpaid on or after such date.</p>

Article 30

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
1304(a),(b) & (d)	424	3	Increased City tax rates remain in effect through 1984.

MISCELLANEOUS

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
14-A of the State Finance Law	15	51	Requires the Department of Taxation and Finance to establish and maintain a comprehensive tax audit reporting system which shall provide the Governor and the Legislature with a systematic method to evaluate the progress made by the Department in achieving revenue targets. The Law establishes a procedure for the development of the form and content of tax audit target reports and quarterly tax audit reports and for the submission of such reports.
206 of the State Administrative Procedures Act	345		Provides that any person subject to a requirement imposed by the federal with a similar requirement imposed by the State, may petition the agency administering the state requirement for a declaratory ruling as to whether compliance with the federal requirement will be accepted as compliance with the state requirement.

Title T of the
Administrative Code of the
City of New York

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
T46-102.0(a)	Local Law 34	1	Increased City tax rates remain in effect <u>through 1984</u>
T46-102.0(b)	Local Law 34	2	Provides for the return to the lower City tax rates for taxable years beginning <u>after 1984</u> .
T46-112.0(b) (7)	648	8	Same as the amendment to Section 612(b)(7) of Article 22 by Bill Section 5 of Chapter 648.
T46-112.0(b) (8)	648	8	Same as the amendment to Section 612(b)(8) of Article 22 by Bill Section 6 of Chapter 648.
T46-112.0(b) (9)	648	8	Same as the amendment to Section 612(b)(9) of Article 22 by Bill Section 6 of Chapter 648.
T46-112.0(b) (24)	15	118	Same as the amendment to Section 612(b)(23) of Article 22 by Bill Section 73 of Chapter 15.
T46-112.0(b) (25)	15	118	Same as the amendment to Section 612(b)(24) of Article 22 by Bill Section 73 of Chapter 15.
T46-112.0(b) (26)	15	118	Same as the amendment to Section 612(b)(25) of Article 22 by Bill Section 73 of Chapter 15.
T46-112.0(b) (28)	15	119	Same as the amendment adding new Section 612(b)(27) to Article 22 by Bill Section 74 of Chapter 15. The related subtract modification is provided by Section T46-112.0(c)(27).
T46-112.0(c) (23)	15	120	Same as the amendment to Section 612(c)(24) of Article 22 by Bill Section 75 of Chapter 15.
T46-112.0(c) (24)	15	120	Same as the amendment to Section 612(c)(25) of Article 22 by Bill Section 75 of Chapter 15.

T46-112.0(c) (25)	15	120	Same as the amendment to Section 612(c)(26) of Article 22 by Bill Section 75 of Chapter 15.
T46-112.0(c) (27)	15	121	Same as the amendment adding new Section 612(c)(28) to Article 22 by Bill Section 76 of Chapter 15. The related plus modification is provided by Section T46-112.0(b)(28).
T46-118.0(4)	15	122	Technical amendment to include reference to new paragraph (28) of Section T46-112.0(b) and new paragraph (27) of Section T46-112.0(c). Applies to taxable years beginning after 12/3/81.
T46-122.0(b) (6)	15	123	Same as the amendment to Section 622(b)(6) of Article 22 by Bill Section 78 of Chapter 15.
T46-158.0(f)	648	9	Same as the amendment to Section 658(f) of Article 22 by Bill Section 7 of Chapter 648.
T46-184.0(d)	15	124	Same as the amendment to Section 684(d) of Article 22 by Bill Section 80 of Chapter 15.
T46-184.0(f)	15	125	Same as the amendment to Section 684(f) of Article 22 by Bill Section 81 of Chapter 15.
T46-188.0(a)	15	126	Same as the amendment to Section 688(a) of Article 22 by Bill Section 82 of Chapter 15.
T46-188.0(d)	15	127	Same as the amendment to Section 688(d) of Article 22 by Bill Section 83 of Chapter 15.
T46-188.0(e), (f) and (g)	15	128	Subdivisions (e) and (f) are relettered (f) and (g) and a new subdivision (e) is added. The provisions of new subdivision (e) are the same as those provided by new subsection (e) of Section 688 of Article 22 by Bill Section 84 of Chapter 15.

T46-197.0(j) 15

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Same as the amendment adding new Section 697(j)(4) to Article 22 by Bill Section 85 of Chapter 15.

State General City Law

Section 25-M

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	<u>Brief Summary</u>
2-A(a)	424	1	Increased City tax rates remain in effect through 1984.

Title U of the
Administrative Code of the
City of New York

<u>Law Section</u>	<u>Bill Chapter</u>	<u>Section</u>	Brief Summary
U46-2.0(a)	Local Law 34	3	Increased City tax rates remain in effect <u>through 1984</u> ,