

**Amendments to Senate S6359-A; Assembly A8559-A
(REV Article VII Bill)**

Part A, relating to corporate tax reform, is amended to:

- Clarify that investment income does not include certain dividends received by certain foreign corporations.
- Clarify that various partnership characteristics will flow through to corporate partners.
- Reinstate the "tax treaty exception" to the related party royalty expense addback requirement.
- Extend special provisions for community banks and thrift institutions to "small thrifts."
- Amend the definition of an Upstate manufacturer, for purposes of the zero tax rate on entire net income, so that receipts attributable to activity in the Metropolitan Commuter Transportation District (MCTD) will not disqualify taxpayers as long as they have no property or payroll attributable to the MCTD.
- Clarify and correct various definitions relating to the treatment of net operating losses.
- Allow the real property tax credit for manufacturers who lease their manufacturing property and directly pay the tax.

Part R, relating to the definition of an Upstate New York manufacturer, is amended to:

- Allow the real property tax credit for manufacturers who lease their manufacturing property and directly pay the tax.
- Amend the definition of an Upstate manufacturer, for purposes of the zero tax rate on entire net income, so that receipts attributable to activity in the Metropolitan Commuter Transportation District (MCTD) will not disqualify taxpayers as long as they have no property or payroll attributable to the MCTD.
- Clarify carryforwards for repealed credit provisions.

Part GG, relating to the extension of various credits and tax abatement programs provided by the City of New York, is added to:

- Extend the Sales and Use Tax Exemptions for qualifying leases in certain areas; Commercial Revitalization Program property tax abatement; Industrial and Commercial Abatement Program; Relocation and Employment Assistance Program; Energy Cost Savings Program; Commercial rent tax reduction; and the Commercial Expansion Program.