

# NEW YORK STATE UNIVERSAL CHARITABLE CREDIT

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## STATE OF NEW YORK

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2017 – 2018 Regular Sessions

### IN ASSEMBLY

April 25, 2018

AN ACT to amend the tax law, in relation to enacting the “New York State Universal Charitable Credit”; setting eligibility requirements for cash contributions to qualified charitable organizations against the personal income tax authorized by this article; and requiring the New York State Department of Taxation and Finance to assist taxpayers by providing an online list of qualified charitable organizations.

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

1           **Section 1. Short title.** This act shall be known and may be cited as the “New York  
2 State Universal Charitable Credit”.

3           **§ 2. Legislative intent.** The legislature understands that under current law, a taxpayer is restricted  
4 from taking credits against their state income tax liability except for very limited purposes.  
5 However, in the State of New York, qualified charitable organizations serve the public across the  
6 spectrum of human needs.

7           The legislature further understands that in the delivery of public services, the people want  
8 quality services available to those who need them, and want those services provided in a timely and  
9 fiscally responsible manner.

10           The legislature intends to empower taxpayers by incentivizing them to direct a portion of  
11 their New York State personal income tax liability to qualified charitable organizations, resulting in  
12 significant financial and civic benefits for the State of New York.

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1 **§ 3.** The tax law is amended by adding a new subsection 606(iii) to read as follows:

2 **§ 606(iii). New York State Universal Charitable Credit. (1)** As used in this subsection:

3 **(A)** The term “qualified charitable organizations” means charitable organizations  
4 which are exempt from federal income taxation under [Section 501\(c\)\(3\) of the](#)  
5 [Internal Revenue Code](#), incorporated in the State of New York, in good standing with  
6 the New York State Department of Taxation and Finance, and not under suspension  
7 per [Section 501\(p\) of the Internal Revenue Code](#) or revocation per the [Internal](#)  
8 [Revenue Bulletin](#), at the time of the contribution.

9 **(B)** The term “Department” means New York State Department of Taxation and  
10 Finance, or its designee.

11 **(C)** The term “deduction” means a reduction in taxable income pursuant to [Section](#)  
12 [170 of the Internal Revenue Code](#) and taken for state purposes.

13 **(2) (A)** A taxpayer shall be allowed a credit, to be computed as hereinafter provided, against  
14 the tax imposed by this article the lesser of five hundred fifty dollars (\$550.00) for a taxpayer  
15 filing single, head of household, or married filing separately, or one thousand one hundred  
16 dollars (\$1,100.00) for taxpayers filing jointly, or the actual income tax due, for cash  
17 contributions to qualified charitable organizations, as hereinafter defined, during the same  
18 taxable year for which the credit is claimed, and shall not be carried over to the next tax  
19 year.

20 **(B)** Taxpayers taking this credit shall provide the names of the qualified charitable  
21 organizations, the dates and amounts of the contributions, to the New York State  
22 Department of Taxation and Finance on forms provided by the Department.

23 **(C)** Taxpayers choosing to make voluntary cash contributions through umbrella  
24 charitable organizations that collect donations on behalf of member charities shall

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1 designate that the donations be directed only to member charitable organizations  
2 that would qualify for this credit on a stand-alone basis.

3 (D) A deduction shall not be allowed for amounts taken under this credit.

4 (E) The Department shall compile and make available to the public an online list of  
5 qualified charitable organizations.

6 (F) The Department shall develop forms necessary to apply for this credit to include:

7 (i) the name and taxpayer identification number of the taxpayer;

8 (ii) the names of the qualified charitable organizations;

9 (iii) the dates and amounts of the cash contributions claimed as a credit;

10 (iv) a section where the taxpayer may cite a reason for taking the credit; and

11 (v) any other information that the Department requires.

12 **§ 4.** This act shall take effect on the first of January next succeeding the date on which it shall have  
13 become a law.