



Legislation Text

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Int. No. 690-A

By Council Members Weprin, Quinn, Recchia Jr., The Speaker (Council Member Miller), Comrie, Liu, Nelson, Gentile, Avella, Moskowitz, Gennaro, and the Public Advocate (Ms. Gotbaum)

A Local Law to amend the administrative code of the city of New York, in relation to the imposition of the utility tax and providing a separate rate for such tax for certain cooperative corporations that produce and distribute electricity, steam, refrigeration or water to such cooperative corporation tenants and/or occupants.

Be it enacted by the Council as follows:

Section 1. Section 11-1101 of the administrative code of the city of New York is amended by adding two new subdivisions 25 and 26 to read as follows:

(25)“Cogeneration facility” means (i) a facility that was in operation before January first, two thousand four and that produces electric energy and steam or other forms of useful energy (such thermal energy) that are supplied to and used by tenants and/or occupants of a cooperative corporation for industrial, commercial, or residential heating or cooling purposes; or (ii) a cogeneration facility, as defined in clause (i) of this subparagraph, that has been replaced by any other facility used to generate electricity and steam or other forms of useful energy (such as thermal energy), when such electricity and steam or other forms of useful energy (such as thermal energy) are supplied to and used by tenants and/or occupants of a cooperative corporation.

(26) “Cooperative corporation” means a corporation organized under the laws of New York, at least some of the stockholders of which are entitled, by reason of the stockholders’ ownership interest of stock in the corporation, to occupy for dwelling purposes an apartment in a building owned by the corporation pursuant to a lease or occupancy agreement with the corporation.

Section 2. Section 11-1102 of the administrative code of the city of New York is amended by adding a new subdivision (g) to read as follows:

(g) Notwithstanding anything else contained in this chapter to the contrary, for the taxable periods beginning on or after January 1, 2006, if a cooperative corporation containing at least fifteen hundred apartments furnishes or sells electricity, steam, refrigeration or water, or furnishes or sells electric, steam, refrigeration or water services that are (i) metered, (ii) generated or produced by a cogeneration facility owned or operated by such cooperative corporation, and (iii) such electricity, steam, refrigeration or water and/or electric, steam, refrigeration or water services are distributed to tenants and/or occupants of a cooperative corporation, then such cooperative corporation shall pay to the commissioner of finance an excise tax which shall be equal to zero per centum of its gross income or its gross operating income, as the case may be.

Section 3. This local law shall take effect on January 1, 2006.

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