

**NEWS-STATE, 2007 TAXDAY, (Feb. 19, 2007), Item # S.19, New York**

**Multiple Taxes: Senate Passes Tax Cut Package**

The New York Senate has passed legislation that would provide a variety of corporate franchise, personal income, sales and use, and property tax relief measures. Among the changes that would be enacted by the legislation are the following:

- Eliminating tax on business income for manufacturer, whether subject to the corporate franchise tax or the personal income tax
- Reducing the corporate franchise tax net income rate from 7.5% to 6.85% over a three year period
- Providing direct property tax rebate checks to small businesses
- Eliminating multiple tax calculations for small businesses subject to the personal income tax
- Expanding incentives to encourage emerging technology companies that do research and development to also manufacture their products in New York
- Creating a refundable energy cost tax credit program for small businesses
- Providing a sales tax exemption on purchases of equipment costing \$500 or more for businesses located in academic incubator facilities
- Eliminating the Alternative Minimum Tax for farmers
- Making the investment tax credit program to include leased farmland
- Eliminating the petroleum business tax on non-residential heating fuel

For more information on the New York tax cut package or other state tax law changes, contact MillerMusmar's tax professionals at 703-437-8877.

Reston, Va Location  
1861 Wiehle Ave. Suite 125  
Reston, Va 20190  
(P) (703) 437-8877  
(F) (703) 437-8937  
[www.millermusmar.com](http://www.millermusmar.com)

Manassas, Va Location  
10502 Crestwood Drive  
Manassas, Va 20109  
(P) (703) 365-8877  
(F) (703) 365-8937  
[www.millermusmar.com](http://www.millermusmar.com)

Cape Coral, Fl Location  
875 Se 47<sup>th</sup> Terrace, Suite 4  
Cape Coral, Fl 33904  
(P) (239) 542-8811  
(F) (239) 540-8937  
[www.millermusmar.com](http://www.millermusmar.com)