

STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE  
COMMISSIONER OF TAXATION AND FINANCE  
ALBANY, NEW YORK

Pursuant to the authority contained in subdivision First of section 171, subsection (a) of section 697, subdivision (a) of section 1096 of the Tax Law, and Section 4 of Chapter 522 of the Laws of 2006, the Commissioner of Taxation and Finance hereby makes and adopts the following amendments to the Business Corporation Franchise Tax Regulations, as published in Subchapter A of Chapter I of Title 20 of the Official Compilation of Codes, Rules and Regulations of the State of New York, and the New York State Personal Income Tax Regulations under Article 22 of the Tax Law, as published in Subchapter A of Chapter II of such Title, such amendments to read as follows:

Section 1. A new Subpart 5-5 is added to such regulations to read as follows:

SUBPART 5-5

CREDIT FOR TAXICABS AND LIVERY SERVICE VEHICLES ACCESSIBLE BY INDIVIDUALS WITH  
DISABILITIES

(Statutory authority: Tax Law §210(40))

- Sec.
- 5-5.1 General
  - 5-5.2 Meaning of terms
  - 5-5.3 Computation of the Credit for Taxicabs and Livery Service Vehicles Accessible by Individuals with Disabilities
  - 5-5.4 Limitations and carryover

Section 5-5.1 General.

As provided in section 210.40 of the Tax Law and this Subpart, a taxpayer providing a taxicab or livery service that incurred an incremental cost associated with the purchase of a vehicle accessible by individuals with disabilities or the conversion of a motor vehicle to a vehicle accessible by individuals with disabilities that is used in providing such service is allowed to claim a credit for taxicabs and livery service vehicles accessible by individuals with disabilities against the tax imposed by article 9-A of the Tax Law. Part ZZ-1 of Chapter 57 of the Laws of 2008 provided that the credit would remain in effect until December 31, 2010, at which time it would be deemed to be repealed.

Section 5-5.2 Meaning of terms.

In addition to the terms defined in section 210.40 of the Tax Law, the following terms, as used in this Subpart, have these meanings:

(a) The term “providing a taxicab or livery service” means the operation of a taxicab or livery in New York State in accordance with required licenses, permits or registrations issued by a local authority and the New York State Department of Motor Vehicles.

(b) The term “taxicab” shall have the same meaning as such term is defined in section 148-a of the New York State Vehicle and Traffic Law.

(c) The term “livery” shall have the same meaning as such term is defined in section 121-e of the New York State Vehicle and Traffic Law.

(d) The term “incremental cost” means the expenses specifically associated with the excess purchase price of a vehicle accessible by individuals with disabilities over the purchase price of a motor vehicle that is the same make and model except for the equipment necessary to convert it to a vehicle accessible by individuals with disabilities. In the case of a conversion of an existing motor vehicle, it includes the equipment and installation costs necessary to convert it to a vehicle accessible by individuals with disabilities.

Section 5-5.3 Computation of the Credit for Taxicabs and Livery Service Vehicles Accessible by Individuals with Disabilities.

The amount of the credit that a taxpayer is allowed is equal to the incremental cost incurred for each vehicle accessible by individuals with disabilities used in providing a taxicab or livery service.

Section 5-5.4 Limitations and carryover.

(a) The credit may not exceed \$10,000 per vehicle and may only be claimed once per vehicle.

(b) The credit and carryover of such credit allowed for any taxable year, in the aggregate, may reduce the tax due to zero.

(c) If the taxpayer has an excess credit after reducing the tax due to zero, the excess may be carried over to the following year or years and may be deducted from the taxpayer's tax for that year or years.

Section 2. A new section 106.5 is added to such regulations to read as follows:

Section 106.5 Credit for Taxicabs and Livery Service Vehicles Accessible by Individuals with Disabilities. (Tax Law § 606(oo))

(a) General. As provided in section 606(oo) of the Tax Law, a taxpayer that provides a taxicab or livery service in New York State in accordance with required licenses or permits issued by a local authority and the New York State Department of Motor Vehicles that incurred an incremental cost associated with the purchase of a vehicle accessible by individuals with disabilities or the conversion of a motor vehicle to a vehicle accessible by individuals with disabilities that is used in providing such service is allowed to claim a credit for taxicabs and livery service vehicles accessible by individuals with disabilities against the tax imposed by article 22 of the Tax Law. The provisions of Subpart 5-5 of this Title addressing the credit for taxicabs and livery service vehicles accessible by individuals with disabilities against the tax imposed by article 9-A are applicable

to the credit for taxicabs and livery service vehicles accessible by individuals with disabilities allowed by section 606(o) of the Tax Law.

Dated: Albany, New York  
May 27, 2008

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Robert L. Megna  
Commissioner of Taxation and Finance