

STATE OF NEW YORK

10532--A

IN SENATE

May 19, 2026

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to establishing a property tax offset in Ulster county

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

1 Section 1. The tax law is amended by adding a new article 30-D to read
2 as follows:

ARTICLE 30-D

ULSTER COUNTY PROPERTY TAX OFFSET

Section 1360. Definitions.

6 1361. Authority to impose surcharge.

7 1362. Persons subject to surcharge.

8 1363. Excess state tax; rate; thresholds.

9 1364. County resident, county nonresident and part-year county
10 resident individuals.

11 1365. Returns and liabilities.

12 1366. Change of county resident status during taxable year.

13 1367. Estates and trusts.

14 1368. Partnerships, limited liability companies, corporations
15 and exempt entities.

16 1369. Withholding from wages.

17 1370. Credit for surcharge withheld; estimated surcharge.

18 1371. Administration, enforcement, collection and review.

19 1372. Local law adoption, filing, effective date and repeal.

20 1373. Deposit and disposition of revenues.

21 1374. Regulations, forms and guidance.

22 1375. Severability.

23 1376. Duration of authority.

24 § 1360. Definitions. (a) Definitions. For purposes of this article:

25 (1) "County" means the county of Ulster.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD15934-02-6

1 (2) "Surcharge" means the Ulster county resident income tax surcharge
2 authorized by this article.

3 (3) "Taxable year" has the same meaning as in article twenty-two of
4 this chapter.

5 (4) "Article twenty-two return" means a New York state personal income
6 tax return or fiduciary income tax return required under article twen-
7 ty-two of this chapter.

8 (5) "Net state tax" means the sum of taxes imposed under article twen-
9 ty-two of this chapter for the taxable year, less credits allowed under
10 such article other than withholding and estimated tax payments. In the
11 case of an estate or trust, net state tax shall not include refundable
12 credits. Net state tax shall not be less than zero.

13 (6) "Benchmark state tax" means the amount that would constitute the
14 taxpayer's net state tax for the taxable year, except that refundable
15 credits shall not reduce benchmark state tax, determined using the
16 taxpayer's actual filing status, deductions, exemptions, and nonrefunda-
17 ble credits otherwise allowable for that taxable year, if New York state
18 taxable income were deemed equal to the applicable threshold amount and
19 such other assumptions as the commissioner shall prescribe by regu-
20 lation.

21 (7) "Excess state tax" means the excess, if any, of net state tax over
22 benchmark state tax.

23 (8) "Applicable threshold amount" means: (A) for an individual not
24 filing a joint return, two hundred fifty thousand dollars; (B) for indi-
25 viduals filing a joint return, five hundred thousand dollars; and (C)
26 for an estate or trust, zero dollars.

27 (b) Use of terms. Terms used in this article and not otherwise
28 defined shall have the same meanings as when used in a comparable
29 context in article twenty-two of this chapter, except where a different
30 meaning is clearly required.

31 § 1361. Authority to impose surcharge. (a) General authority.
32 Notwithstanding any other provision of law to the contrary, but subject
33 to the limitations and conditions set forth in this article, Ulster
34 county, acting through its county legislature, is hereby authorized and
35 empowered to adopt, amend, and repeal local laws imposing a resident
36 income tax surcharge.

37 (b) Local law required. No surcharge shall be imposed under this arti-
38 cle unless Ulster county has adopted a local law in accordance with
39 section thirteen hundred seventy-two of this article.

40 (c) Fixed rate. The surcharge authorized by this article shall be
41 imposed at the fixed rate of eighteen and seventy-five hundredths
42 percent of excess state tax. No local law adopted pursuant to this arti-
43 cle shall impose any other rate or rate schedule.

44 (d) Fixed thresholds. Except with respect to estates and trusts, to
45 which a threshold of zero applies, the surcharge authorized by this
46 article shall apply only to New York state income tax assessed on
47 incomes above two hundred fifty thousand dollars for an individual not
48 filing a joint return under article twenty-two of this chapter and above
49 five hundred thousand dollars for individuals filing a joint return
50 under article twenty-two of this chapter.

51 (e) No local variations. No local law adopted pursuant to this article
52 shall create county-specific deductions, exemptions, exclusions, addi-
53 tions, subtractions, credits, alternative tax bases or other variations
54 from the tax base, rate, thresholds, persons subject to surcharge, with-
55 holding requirements, administrative provisions or taxpayer remedies set
56 forth in this article unless expressly authorized by state law.

1 (f) No reduction of state tax. The surcharge shall not reduce, offset
2 or otherwise affect a taxpayer's liability for any tax imposed under
3 article twenty-two of this chapter.

4 (g) Prospective application. No surcharge, amendment, repeal, expira-
5 tion or termination adopted pursuant to this article shall apply
6 retroactively. Any such local law, amendment, repeal, expiration or
7 termination shall take effect only on the first day of January of a
8 taxable year and shall apply only to taxable years beginning on or after
9 such effective date; provided, however, that no surcharge shall apply to
10 any taxable year beginning before the local law imposing such surcharge
11 has been finally adopted and filed as required by this article and by
12 applicable law.

13 (h) No nonresident income tax. This article shall not authorize Ulster
14 county to impose a tax, surcharge or other liability upon a county
15 nonresident individual, county nonresident estate or county nonresident
16 trust solely by reason of income derived from sources within Ulster
17 county.

18 § 1362. Persons subject to surcharge. (a) County residents. For each
19 taxable year for which a local law adopted pursuant to this article is
20 in effect, the surcharge shall be imposed on every county resident indi-
21 vidual, county resident estate and county resident trust that has excess
22 state tax greater than zero and is required to file an article twenty-
23 two return for such taxable year.

24 (b) Part-year county residents. A part-year county resident individual
25 or part-year county resident trust shall be subject to the surcharge
26 only for the portion of the taxable year during which such individual or
27 trust was a county resident, computed in accordance with section thir-
28 teen hundred sixty-six of this article.

29 (c) Nonresidents excluded. No surcharge shall be imposed under this
30 article on a county nonresident individual, county nonresident estate or
31 county nonresident trust solely by reason of income, gain, loss,
32 deduction, employment, business activity, real property, tangible prop-
33 erty, intangible property or other economic activity within Ulster coun-
34 ty.

35 (d) No separate county filing obligation for nonfilers. No individual,
36 estate or trust shall be required to file a return solely by reason of
37 this article if such individual, estate or trust is not otherwise
38 required to file an article twenty-two return, except that a return may
39 be filed to claim a refund or credit of amounts withheld or paid pursu-
40 ant to this article.

41 (e) Taxable year. A taxpayer's taxable year for purposes of the
42 surcharge shall be the same as such taxpayer's taxable year under arti-
43 cle twenty-two of this chapter.

44 § 1363. Excess state tax; rate; thresholds. (a) Rate. The surcharge
45 shall equal eighteen and seventy-five hundredths percent of excess state
46 tax.

47 (b) Individuals. For an individual, excess state tax shall be computed
48 by subtracting benchmark state tax from net state tax, not less than
49 zero. For purposes of this subsection, refundable credits taken into
50 account in computing net state tax shall reduce excess state tax but
51 shall not reduce benchmark state tax or produce excess state tax below
52 zero.

53 (c) Estates and trusts. For a county resident estate or trust, excess
54 state tax shall equal net state tax, not less than zero.

55 (d) Part-year county residents. When an individual or trust changes
56 county resident status during the taxable year, net state tax and bench-

1 mark state tax for the county resident period shall be computed under
2 rules substantially similar to the provisions of section thirteen
3 hundred twenty-seven of this chapter, adapted to this article. The
4 commissioner may prescribe special rules where the standard formula
5 yields an inequitable or indeterminate result.

6 (e) Commissioner authority. The commissioner shall promulgate regu-
7 lations for the computation of benchmark state tax. Such regulations
8 shall provide rules for joint returns, spouses with different county
9 resident status, part-year county residents, estates and trusts, sepa-
10 rate taxes, minimum taxes, additions to tax, credits, recaptures, and
11 any other item necessary to compute benchmark state tax in a manner
12 consistent with this article and article twenty-two of this chapter.

13 § 1364. County resident, county nonresident and part-year county resi-
14 dent individuals. (a) County resident individual. A county resident
15 individual means an individual:

16 (1) who is domiciled in Ulster county, unless:

17 (A) the taxpayer maintains no permanent place of abode in Ulster coun-
18 ty or maintains a permanent place of abode elsewhere and spends in the
19 aggregate not more than thirty days of the taxable year in Ulster coun-
20 ty; or

21 (B) within any period of five hundred forty-eight consecutive days,
22 the taxpayer is present in a foreign country or countries for at least
23 four hundred fifty days, and during such period the taxpayer, the
24 taxpayer's spouse, unless legally separated, and the taxpayer's minor
25 children are not present in Ulster county for more than ninety days, and
26 during any portion of the taxable year within which such five hundred
27 forty-eight-day period begins or ends the taxpayer's presence in Ulster
28 county does not exceed a proportionate part of ninety days as determined
29 under regulations of the commissioner; or

30 (2) who maintains a permanent place of abode in Ulster county and
31 spends in the aggregate more than one hundred eighty-three days of the
32 taxable year in Ulster county, whether or not domiciled in Ulster county
33 for any portion of the taxable year, unless such individual is in active
34 service in the armed forces of the United States.

35 (b) County nonresident individual. A county nonresident individual
36 means an individual who is not a county resident individual or part-year
37 county resident individual.

38 (c) Part-year county resident individual. A part-year county resident
39 individual means an individual who is not a county resident individual
40 or county nonresident individual for the entire taxable year.

41 (d) Permanent place of abode. The term "permanent place of abode" has
42 the same meaning as under article twenty-two of this chapter and the
43 regulations and guidance of the commissioner thereunder shall apply to
44 this article by substituting "Ulster county" for "New York state" or
45 "this state" where appropriate.

46 (e) Days spent in county. In determining days spent in Ulster county,
47 the commissioner shall apply rules consistent with article twenty-two of
48 this chapter and the regulations thereunder, including rules governing
49 presence for part of a day, travel through the jurisdiction, medical
50 treatment, military service and other exceptions recognized under state
51 personal income tax residency rules.

52 § 1365. Returns and liabilities. (a) General. Every county resident
53 individual, county resident estate or county resident trust subject to
54 surcharge under this article shall report and pay the surcharge as part
55 of the return required under article twenty-two of this chapter, in such
56 manner and on such forms as the commissioner shall prescribe.

1 (b) Joint returns; both spouses county residents. Where spouses file a
2 joint return under article twenty-two of this chapter and both spouses
3 are county residents for the entire taxable year, the surcharge shall be
4 computed on the joint excess state tax using the threshold amount appli-
5 cable to individuals filing a joint return, and both spouses shall be
6 jointly and severally liable for the surcharge.

7 (c) Joint returns; one spouse county resident. Where spouses file a
8 joint return under article twenty-two of this chapter and only one
9 spouse is a county resident or part-year county resident:

10 (1) the spouses may elect to compute the surcharge as though both
11 spouses were county residents for the taxable year or relevant portion
12 thereof, in which case both spouses shall be jointly and severally
13 liable for the surcharge; or

14 (2) absent such election, the county resident spouse shall compute
15 surcharge liability separately, in such manner as the commissioner shall
16 prescribe, as if separate federal and New York state returns had been
17 filed, and the threshold amount applicable to individuals not filing a
18 joint return shall apply. The nonresident spouse shall not be liable for
19 the surcharge except with respect to amounts withheld or paid on such
20 spouse's behalf.

21 (d) Separate returns. Where spouses file separate returns under arti-
22 cle twenty-two of this chapter, the surcharge shall be computed sepa-
23 rately and the threshold amount applicable to individuals not filing a
24 joint return shall apply.

25 (e) Decedents. The return for a deceased individual shall be made and
26 filed by the executor, administrator or other person charged with the
27 property of the decedent, in the same manner as provided under article
28 twenty-two of this chapter.

29 (f) Liability. The surcharge imposed by this article shall be a tax
30 for purposes of assessment, collection, enforcement, refund, interest,
31 penalty, lien, secrecy, administrative review and judicial review under
32 article twenty-two of this chapter, except as otherwise provided in this
33 article.

34 § 1366. Change of county resident status during taxable year. (a)
35 Individuals. If an individual changes status during the taxable year
36 from county resident to county nonresident, or from county nonresident
37 to county resident, such individual shall compute surcharge liability
38 only for the period during which the individual was a county resident,
39 subject to such exceptions and rules as the commissioner may prescribe.

40 (b) Trusts. If the status of a trust changes during its taxable year
41 from county resident trust to county nonresident trust, or from county
42 nonresident trust to county resident trust, the fiduciary shall compute
43 surcharge liability only for the period during which the trust was a
44 county resident trust, subject to such exceptions and rules as the
45 commissioner may prescribe.

46 (c) Special rules. If the computation under this section produces an
47 inequitable, indeterminate or administratively impracticable result, the
48 commissioner may prescribe alternative methods reasonably calculated to
49 reflect the taxpayer's county resident period.

50 § 1367. Estates and trusts. (a) County resident estate. A county resi-
51 dent estate means the estate of a decedent who, at death, was domiciled
52 in Ulster county.

53 (b) County resident trust. A county resident trust means a trust, or
54 portion of a trust:

55 (1) consisting of property transferred by will of a decedent who, at
56 death, was domiciled in Ulster county;

1 (2) consisting of property of a person domiciled in Ulster county at
2 the time such property was transferred to the trust, if such trust or
3 portion of a trust was then irrevocable, or if it was then revocable and
4 has not subsequently become irrevocable; or

5 (3) consisting of property of a person domiciled in Ulster county at
6 the time such trust or portion of a trust became irrevocable, if it was
7 revocable when such property was transferred to the trust but subse-
8 quently became irrevocable.

9 (c) Resident trust exclusion. A county resident trust shall not be
10 subject to a surcharge under this article for a taxable year if all of
11 the following conditions are satisfied for such taxable year:

12 (1) all trustees are domiciled outside Ulster county;

13 (2) the entire corpus of the trust, including real property and tangi-
14 ble personal property, is located outside Ulster county; and

15 (3) all income and gains of the trust are derived from or connected
16 with sources outside Ulster county, determined as if the trust were a
17 county nonresident trust.

18 (d) County nonresident estate or trust. A county nonresident estate or
19 county nonresident trust means an estate or trust that is not a county
20 resident estate, county resident trust or part-year county resident
21 trust.

22 (e) Part-year county resident trust. A part-year county resident trust
23 means a trust that is not a county resident trust or county nonresident
24 trust for the entire taxable year.

25 (f) No income threshold. The threshold amounts specified in subpara-
26 graphs (A) and (B) of paragraph eight of subsection (a) of section thir-
27 teen hundred sixty of this article, that are above zero, apply only to
28 individuals and shall not apply to estates or trusts.

29 (g) Fiduciary compliance. A fiduciary of an estate or trust subject to
30 this article shall file returns, make payments, claim refunds and main-
31 tain records in the same manner as required under article twenty-two of
32 this chapter, as modified by this article and by regulations or
33 instructions of the commissioner.

34 (h) Conformity with article twenty-two. Except as otherwise provided
35 in this section, the rules governing resident estates, resident trusts,
36 nonresident estates, nonresident trusts and part-year resident trusts
37 under article twenty-two of this chapter shall apply for purposes of
38 this article, with such substitutions and modifications as the commis-
39 sioner shall prescribe.

40 § 1368. Partnerships, limited liability companies, corporations and
41 exempt entities. (a) Partnerships. A partnership shall not be subject
42 to the surcharge at the entity level. Persons carrying on business as
43 partners shall be liable for the surcharge only in their individual,
44 estate or trust capacities, as applicable.

45 (b) Limited liability companies. For purposes of this article, a
46 limited liability company treated as a partnership for federal income
47 tax purposes shall be treated as a partnership, and a limited liability
48 company disregarded for federal income tax purposes shall be disregarded
49 in the same manner as under article twenty-two of this chapter.

50 (c) Information reporting. The commissioner may require partnerships,
51 limited liability companies and other pass-through entities to furnish
52 such information as the commissioner deems necessary to administer and
53 enforce this article.

54 (d) Corporations. Entities taxable as corporations for federal income
55 tax purposes shall not be subject to the surcharge imposed by this arti-
56 cle.

1 (e) Exempt entities. Entities exempt from federal income tax shall not
2 be subject to the surcharge imposed by this article, except to the
3 extent a person otherwise subject to this article is taxable under arti-
4 cle twenty-two of this chapter with respect to income, gain or other
5 items associated with such entity.

6 § 1369. Withholding from wages. (a) General. Every employer required
7 to deduct and withhold tax from wages under article twenty-two of this
8 chapter shall, with respect to wages paid to an employee who is a county
9 resident, deduct and withhold the surcharge authorized by this article
10 in such manner as the commissioner shall prescribe.

11 (b) Tables and methods. The commissioner shall prescribe withholding
12 tables, percentage methods, electronic methods, forms, certificates and
13 instructions necessary to implement withholding under this article,
14 including tables and methods that take account of the fixed rate and
15 threshold amounts specified in this article.

16 (c) Certificate of county residence. The commissioner may require
17 employees to furnish employers with a certificate of county residence or
18 nonresidence in such form and manner as the commissioner shall
19 prescribe.

20 (d) Employer safe harbor. An employer that withholds or does not with-
21 hold in good faith reliance on the employee's most recent certificate of
22 county residence or nonresidence shall not be liable for underwithhold-
23 ing under this article unless the employer had actual knowledge that
24 such certificate was false or materially inaccurate.

25 (e) Employee liability preserved. No safe harbor provided to an
26 employer under subsection (d) of this section shall relieve an employee
27 of liability for surcharge, penalty or interest otherwise due under this
28 article.

29 (f) False certificates. A false or materially inaccurate certificate
30 of county residence or nonresidence shall be subject to the penalties
31 applicable to false or fraudulent statements under article twenty-two of
32 this chapter.

33 § 1370. Credit for surcharge withheld; estimated surcharge. (a) Credit
34 allowed. Amounts withheld or paid as estimated surcharge shall be cred-
35 ited against surcharge liability.

36 (b) No reduction of income. Amounts withheld pursuant to this article
37 shall be treated solely as payments on account and shall not alter the
38 computation of net state tax, benchmark state tax, excess state tax, or
39 surcharge liability.

40 (c) Refunds. If the amount withheld or otherwise paid under this arti-
41 cle exceeds surcharge liability, the excess shall be refunded or credit-
42 ed in the same manner as overpayments under article twenty-two of this
43 chapter, subject to lawful offsets and section thirteen hundred seven-
44 ty-three of this article.

45 (d) Estimated surcharge. Taxpayers subject to the surcharge imposed
46 pursuant to this article shall make payments of estimated surcharge in
47 the same manner, at the same times and subject to the same rules as
48 estimated tax payments under article twenty-two of this chapter.

49 (e) First-year relief. For the first taxable year for which a local
50 law adopted pursuant to this article is effective, no addition to tax
51 shall be imposed for underpayment of estimated surcharge to the extent
52 the underpayment is attributable to the initial adoption of such local
53 law and the taxpayer acted in good faith under rules prescribed by the
54 commissioner.

55 § 1371. Administration, enforcement, collection and review. (a) State
56 administration. Except as otherwise provided in this article, the

1 surcharge imposed pursuant to this article shall be administered and
2 collected by the commissioner in the same manner as the tax imposed
3 under article twenty-two of this chapter. The commissioner shall
4 prescribe worksheets, forms, and electronic reporting specifications
5 required to compute benchmark state tax and excess state tax.

6 (b) Incorporation of article twenty-two. All provisions of article
7 twenty-two of this chapter relating to or applicable to payment of esti-
8 mated tax, returns, filing requirements, payment, withholding, employer
9 statements and returns, employer liability for taxes required to be
10 withheld, assessment, collection, refunds, credits, offsets, interest,
11 civil and criminal penalties, secrecy, limitations periods, liens,
12 warrants, administrative review and judicial review shall apply to the
13 surcharge imposed pursuant to this article with the same force and
14 effect as if such provisions had been incorporated in full into this
15 article and had expressly referred to the surcharge, except where incon-
16 sistent with this article.

17 (c) Enforcement with other taxes. The commissioner may enforce
18 collection of the surcharge jointly with taxes imposed under article
19 twenty-two of this chapter and with any other state-administered local
20 income taxes.

21 (d) Combined filings and payments. The commissioner may require
22 combined returns, combined employer returns, combined estimated tax
23 payments, combined payment vouchers and combined electronic filings for
24 purposes of article twenty-two of this chapter and this article.

25 (e) Application of payments. Where the commissioner receives a single
26 payment or collection with respect to state personal income tax and one
27 or more state-administered local income taxes or surcharges, such
28 payment or collection shall be applied proportionately or in such other
29 manner as the commissioner shall prescribe by regulation or instruction.

30 (f) Liens and warrants. Liens, warrants, levies, income executions and
31 other collection devices available under article twenty-two of this
32 chapter shall apply to surcharge liabilities under this article with the
33 same force and effect as if the surcharge were imposed under article
34 twenty-two of this chapter.

35 (g) Future amendments. Any amendment to article twenty-two of this
36 chapter enacted after the effective date of this article shall, to the
37 extent applicable to the surcharge imposed under this article, be deemed
38 incorporated into the analogous provision or provisions of this article
39 and any local law adopted pursuant to this article, unless the legisla-
40 ture expressly provides otherwise.

41 (h) Review. All determinations, notices, assessments, refund denials
42 and other acts of the commissioner under this article shall be review-
43 able in the same manner as comparable determinations, notices, assess-
44 ments, refund denials and acts under article twenty-two of this chapter.

45 (i) County not tax administrator. Ulster county shall not audit,
46 assess, collect, compromise, refund, enforce or issue binding interpre-
47 tations regarding the surcharge, except to the extent expressly author-
48 ized by the commissioner or by state law.

49 § 1372. Local law adoption, filing, effective date and repeal. (a)
50 Required contents. A local law adopted pursuant to this article shall:

51 (1) state that it is adopted pursuant to this article;

52 (2) state that the surcharge is imposed at the fixed rate of eighteen
53 and seventy-five hundredths percent of excess state tax;

54 (3) specify the taxable years for which it applies;

55 (4) specify any sunset date or termination provision, if applicable;

1 (5) provide that the surcharge shall be administered, collected, and
2 enforced by the commissioner;

3 (6) provide that all definitions and administrative provisions of this
4 article shall apply; and

5 (7) specify whether revenues shall be deposited in the county general
6 fund or in another fund or account authorized by law.

7 (b) Prohibited local variations. A local law adopted pursuant to this
8 article shall not vary the definitions, fixed rate, threshold amounts,
9 tax base, treatment of estates and trusts, filing obligations, enforce-
10 ment provisions, withholding rules, remittance rules or taxpayer reme-
11 dies set forth in this article, except as expressly authorized by this
12 article.

13 (c) Filing under municipal home rule law. A local law adopted pursuant
14 to this article shall be filed in accordance with section twenty-seven
15 of the municipal home rule law. The filing requirements of this article
16 are in addition to, and not in lieu of, any filing requirements imposed
17 by the municipal home rule law.

18 (d) Additional filing with state officers. No local law or amendment
19 adopted pursuant to this article shall apply to any taxable year unless
20 a certified copy of such law or amendment is filed with: (1) the clerk
21 of the Ulster county legislature or such other officer designated by the
22 county legislature; (2) the Ulster county clerk; (3) the secretary of
23 state; (4) the state comptroller; and (5) the commissioner. Such filing
24 shall be completed not less than one hundred eighty days before the
25 first day of the taxable year to which such local law or amendment
26 applies, unless the commissioner waives or reduces such period in writ-
27 ing upon a determination that such waiver or reduction is consistent
28 with the commissioner's duties under this article.

29 (e) Effective date. A local law adopted pursuant to this article shall
30 take effect only on the first day of January of a taxable year and shall
31 apply only to taxable years beginning on or after such date.

32 (f) Amendments. Any amendment to a local law adopted pursuant to this
33 article shall take effect only on the first day of January of a taxable
34 year and shall apply only to taxable years beginning on or after such
35 date. No amendment shall change the surcharge rate, threshold amounts,
36 excess state tax base or the treatment of estates and trusts prescribed
37 by this article.

38 (g) Repeal, expiration or termination. A repeal, expiration or sunset
39 of a local law adopted pursuant to this article shall not affect liabil-
40 ities, withholding obligations, estimated tax obligations, filings,
41 audits, assessments, collections, refunds, penalties, interest, adminis-
42 trative proceedings or judicial proceedings for taxable years during
43 which the local law was in effect.

44 (h) Administrative notice. After receipt of a certified copy of a
45 local law or amendment adopted pursuant to this article, the commission-
46 er shall issue such notices, forms, instructions, withholding tables and
47 electronic filing specifications as the commissioner deems necessary.
48 Failure to issue any such notice, form, instruction, table or specifica-
49 tion by a particular date shall not invalidate the local law, but the
50 commissioner may provide reasonable transition relief from penalties or
51 additions to tax attributable to delayed administrative implementation.

52 § 1373. Deposit and disposition of revenues. (a) Deposit in trust.
53 All revenue collected by the commissioner from the surcharge imposed
54 pursuant to this article shall be deposited daily with such responsible
55 banks, banking houses or trust companies as may be designated by the

1 state comptroller, to the credit of the comptroller, in trust for Ulster
2 county.

3 (b) Separate trust funds. Such deposits shall be kept in trust and
4 separate and apart from all other moneys in the possession of the comp-
5 ptroller. The comptroller shall require adequate security from all depos-
6 itories of such revenue.

7 (c) Refunds and administrative costs. The comptroller shall retain in
8 the comptroller's hands such amount as the commissioner may determine to
9 be necessary for refunds, lawful credits, lawful offsets and the reason-
10 able costs of the commissioner in administering, collecting and distrib-
11 uting the surcharge.

12 (d) Payment of refunds. The comptroller shall pay refunds of the
13 surcharge to which taxpayers are entitled under this article or article
14 twenty-two of this chapter from amounts retained pursuant to subsection
15 (c) of this section.

16 (e) Offsets. Before remitting revenues to Ulster county, the comp-
17 troller shall pay or credit any overpayments, and interest on such over-
18 payments, required to be offset or credited under state law, including
19 offsets certified by the commissioner under article twenty-two of this
20 chapter or other applicable law.

21 (f) Monthly remittance. After reserving amounts required under
22 subsections (c), (d), and (e) of this section, the comptroller shall, on
23 or before the fifteenth day of each month, pay to the chief fiscal offi-
24 cer of Ulster county the balance of surcharge revenues collected and
25 available for distribution.

26 (g) Use of revenues. Revenues remitted to Ulster county pursuant to
27 this section shall be paid into the county treasury and used for county
28 purposes as provided by local law, subject to the state constitution,
29 the local finance law, the county law and any other applicable provision
30 of law.

31 (h) Reports. The commissioner and the comptroller may provide Ulster
32 county with periodic reports concerning surcharge collections, refunds,
33 administrative costs and distributions, provided that no report shall
34 disclose confidential taxpayer information except as authorized by law.

35 § 1374. Regulations, forms and guidance. (a) Commissioner authority.
36 The commissioner may promulgate regulations and issue forms,
37 instructions, notices, publications, withholding tables, electronic
38 filing specifications and other guidance necessary to administer this
39 article.

40 (b) Uniform administration. In administering this article, the commis-
41 sioner may conform procedures and forms to those used for article twen-
42 ty-two of this chapter and other state-administered local income taxes,
43 to the extent practicable.

44 (c) Residence certificates. The commissioner may prescribe certif-
45 icates of county residence and nonresidence for employees, withholding
46 agents, fiduciaries and other persons as necessary to administer with-
47 holding and filing obligations under this article.

48 (d) Transitional rules. The commissioner may prescribe transitional
49 rules for the first taxable year in which a local law adopted pursuant
50 to this article is effective, including rules for withholding, estimated
51 tax, employer implementation, electronic filing, amended returns and
52 penalty relief.

53 § 1375. Severability. If any clause, sentence, paragraph, subsection,
54 section or part of this article, or the application thereof to any
55 person, taxpayer, employer, fiduciary, entity or circumstance, shall be
56 adjudged by any court of competent jurisdiction to be invalid, such

1 judgment shall not affect, impair or invalidate the remainder of this
2 article or its application to other persons or circumstances, but shall
3 be confined in its operation to the clause, sentence, paragraph,
4 subsection, section or part directly involved in the controversy in
5 which such judgment shall have been rendered.

6 § 1376. Duration of authority. The authority granted by this article
7 shall continue until repealed by act of the legislature. Any local law
8 adopted pursuant to this article may include a sunset date or termi-
9 nation provision, and Ulster county may repeal or amend such local law
10 in accordance with this article.

11 § 2. This act shall take effect immediately; provided, however, that
12 no surcharge shall be imposed pursuant to article thirty-C of the tax
13 law unless and until Ulster county has adopted a local law satisfying
14 the requirements of such article.