

STATE OF NEW YORK

2506

2025-2026 Regular Sessions

IN SENATE

January 21, 2025

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law and the state finance law, in relation to enacting the addiction prevention and recovery act

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
2 the "addiction prevention and recovery act".

3 § 2. Paragraphs (a), (b), (c), (d), (e) and (f) of subdivision 1 of
4 section 424 of the tax law, paragraphs (a), (b), (c) and (d) as amended
5 by section 1 of part X-1 of chapter 57 of the laws of 2009, paragraph
6 (e) as amended by section 1 of part J of chapter 59 of the laws of 2020
7 and paragraph (f) as amended by chapter 508 of the laws of 1993, are
8 amended and a new paragraph (h) is added to read as follows:

9 (a) ~~Fourteen~~ Twenty-eight cents per gallon upon beers;

10 (b) ~~Thirty~~ Sixty cents per gallon upon still wines, except cider
11 containing more than three and two-tenths per centum of alcohol by
12 volume, upon which the tax shall be ~~three~~ seven and ~~seventy-nine~~
13 fifty-eight hundredths cents per gallon;

14 (c) ~~Thirty~~ Sixty cents per gallon upon artificially carbonated spar-
15 kling wines, except artificially carbonated sparkling cider containing
16 more than three and two-tenths per centum of alcohol by volume, upon
17 which the tax shall be ~~three~~ seven and ~~seventy-nine~~ fifty-eight
18 hundredths cents per gallon;

19 (d) ~~Thirty~~ Sixty cents per gallon upon natural sparkling wines,
20 except natural sparkling cider containing more than three and two-tenths
21 per centum of alcohol by volume, upon which the tax shall be ~~three~~
22 seven and ~~seventy-nine~~ fifty-eight hundredths cents per gallon;

23 (e) ~~Sixty-seven~~ One dollar and thirty-four cents per liter upon
24 liquors containing not more than twenty-four per centum of alcohol by

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

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1 volume except liquors containing not more than two per centum of alcohol
2 by volume, upon which the tax shall be zero; and

3 (f) [~~One dollar~~] Three dollars and [~~seventy~~] forty cents per liter
4 upon all other liquors; when sold or used within this state, except when
5 sold or used under such circumstances that this state is without power
6 to impose such tax or when sold to the United States and except beers
7 when sold to or by a voluntary unincorporated organization of the armed
8 forces of the United States operating a place for the sale of goods
9 pursuant to regulations promulgated by the appropriate executive agency
10 of the United States, to the extent provided in such regulations, direc-
11 tives and policy statements of such an agency applicable to such sales,
12 and except when sold to professional foreign consuls-general, consuls
13 and vice-consuls who are nationals of the state appointing them and who
14 are assigned to foreign consulates in this state, provided that American
15 consular officers of equal rank who are citizens of the United States
16 and who exercise their official functions at American consulates in such
17 foreign country are granted reciprocal exemptions; provided, however,
18 that the commissioner may permit the sale of alcohol without tax to a
19 holder of any industrial alcohol permit, alcohol permit or alcohol
20 distributor's permit, issued by the state liquor authority, and by the
21 holder of an alcohol distributor's permit, class A, issued by such
22 authority to a holder of a distiller's license, class B, or a winery
23 license, issued by such authority and may also permit the use of alcohol
24 for any purpose other than the production of alcoholic beverages by such
25 holders without tax; provided also that the commissioner may permit the
26 sale of cider without tax by a holder of a cider producer's license
27 issued by the state liquor authority to a holder of a cider producer's
28 license or a cider wholesaler's license issued by such authority.

29 (h) Notwithstanding any other provision of this article, half of all
30 taxes, interest, penalties and fees collected or received by the commis-
31 sioner from each gallon of beer, still wine, cider, artificially carbo-
32 nated sparkling wines, artificially carbonated sparkling cider, natural
33 sparkling wines, natural sparkling cider and from each liter of liquor
34 under paragraphs (a) through (f) of this subdivision shall be allocated
35 to the alcohol and substance abuse addiction prevention and recovery
36 fund established pursuant to section ninety-nine-ss of the state finance
37 law.

38 § 3. The state finance law is amended by adding a new section 99-ss to
39 read as follows:

40 § 99-ss. Alcohol and substance abuse addiction prevention and recovery
41 fund. 1. There is hereby established in the joint custody of the comp-
42 troller and the commissioner of taxation and finance a special fund to
43 be known as the "alcohol and substance abuse addiction prevention and
44 recovery fund".

45 2. (a) Such fund shall consist of all revenues received by the depart-
46 ment of taxation and finance, pursuant to the provisions of paragraph
47 (h) of subdivision one of section four hundred twenty-four of the tax
48 law, and all other moneys appropriated, credited or transferred thereto
49 from any other fund or source pursuant to law. Nothing contained in this
50 section shall prevent the state from receiving grants, gifts or bequests
51 for the purposes of the fund as defined in this section and depositing
52 them into the fund according to law.

53 (b) Monies expended from such fund shall be used to supplement and not
54 supplant any other funds which would otherwise have been expended for
55 alcohol and substance abuse addiction prevention or recovery. All such
56 funds shall be used to improve alcohol and substance abuse addiction

1 prevention and recovery services in the state. Nothing in this paragraph
2 shall preclude the state from decreasing funds as long as the state
3 demonstrates to the office of addiction services and supports that the
4 quality of services has been maintained or enhanced notwithstanding the
5 use of state funds.

6 3. Monies of the fund shall be expended only for alcohol and substance
7 abuse addiction prevention and recovery. As used in this section, "alco-
8 hol and substance abuse addiction prevention and recovery" shall include
9 educational projects, including grants for alcohol and substance abuse
10 addiction education and prevention programs, and alcohol and substance
11 abuse addiction recovery services and programs which are approved by the
12 department of health.

13 4. Monies shall be payable from the fund on the audit and warrant of
14 the comptroller on vouchers approved and certified by the commissioner
15 of the office of addiction services and supports, provided however that
16 fifty percent of the funds shall be expended on alcohol and substance
17 abuse addiction prevention and fifty percent of the funds shall be
18 expended on alcohol and substance abuse addiction recovery services and
19 programs.

20 5. To the extent practicable, the commissioner of the office of
21 addiction services and supports shall ensure that all monies received
22 during a fiscal year are expended prior to the end of the fiscal year.

23 6. On or before the first day of February each year, the commissioner
24 of the office of addiction services and supports shall provide a written
25 report to the temporary president of the senate, speaker of the assem-
26 bly, chair of the senate finance committee, chair of the assembly ways
27 and means committee, chair of the senate committee on health, chair of
28 the assembly health committee, the state comptroller and the public.
29 Such report shall include how the monies of the fund were utilized
30 during the preceding calendar year, and shall include:

31 (a) the amount of money disbursed from the fund and the award process
32 used for such disbursements;

33 (b) recipients of awards from the fund;

34 (c) the amount awarded to each;

35 (d) the purposes for which such awards were granted; and

36 (e) a summary financial plan for such monies which shall include esti-
37 mates of all receipts and all disbursements for the current and succeed-
38 ing fiscal years, along with the actual results from the prior fiscal
39 year.

40 § 4. This act shall take effect on the first of April next succeeding
41 the date on which it shall have become a law. Effective immediately,
42 the addition, amendment and/or repeal of any rule or regulation neces-
43 sary for the implementation of this act on its effective date are
44 authorized to be made and completed on or before such effective date.