

STATE OF NEW YORK

5154--A

2025-2026 Regular Sessions

IN SENATE

February 19, 2025

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to imposing a special tax on artwork, antique furniture, and antique jewelry sold at auction; and to amend the state finance law, in relation to establishing the art education fund

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 28-E to read
2 as follows:

3 ARTICLE 28-E

4 SPECIAL TAX ON ARTWORK, ANTIQUE FURNITURE, AND ANTIQUE JEWELRY
5 SOLD AT AUCTION

6 Section 1199. Definitions.

7 1199-a. Imposition of special tax.

8 1199-b. Administrative provisions.

9 1199-c. Deposit and disposition of revenue.

10 1199-d. Rules and regulations.

11 § 1199. Definitions. As used in this article, the following terms
12 shall have the following meanings:

13 (a) "Art" shall be a work of art, artwork, art piece, piece of art or
14 art object that is an aesthetic physical item or artistic creation.

15 (b) "Antique furniture" shall be furniture created over one hundred
16 twenty-five years ago.

17 (c) "Antique jewelry" shall be jewelry created over one hundred twen-
18 ty-five years ago.

19 (d) "Auction" includes any auction taking place in the state or being
20 managed by an entity that has a New York tax resale certificate or has

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

LBD09987-04-6

1 an auctioneer's license in any locality that requires it within the
2 state.

3 § 1199-a. Imposition of special tax. In addition to any other tax
4 imposed by this chapter or other law, there is hereby imposed a tax of
5 three-tenths of one percent or one dollar, whichever is greater, on the
6 receipts from the sale of art, antique furniture or antique jewelry at
7 auction. The tax is imposed on the purchaser and shall be collected by
8 the entity conducting the auction at the time of sale, provided however,
9 that where the tax imposed pursuant to this section is not collected by
10 the entity conducting the auction the purchaser shall remit such tax
11 directly to the commissioner.

12 § 1199-b. Administrative provisions. Every person required to collect
13 or pay the tax imposed under section eleven hundred ninety-nine-a of
14 this article shall file a return and pay such tax required to be
15 collected to the commissioner of taxation and finance on or before the
16 twentieth day after the close of the quarterly period in which the sale
17 took place.

18 § 1199-c. Deposit and disposition of revenue. The taxes collected or
19 received by the commissioner under this article shall be deposited in
20 the art education fund established pursuant to section ninety-seven-uuuu
21 of the state finance law and disposed of pursuant to the provisions of
22 such section.

23 § 1199-d. Rules and regulations. The commissioner shall promulgate all
24 rules and regulations necessary to carry out the provisions of this
25 article.

26 § 2. The state finance law is amended by adding a new section 97-uuuu
27 to read as follows:

28 § 97-uuuu. Art education fund. 1. As used in this section, the
29 following terms shall have the following meanings:

30 (a) "Art education" shall include the following activities: painting,
31 visual arts, ceramics, field trips to museums or other institutions
32 recognized by the council, and stipends for artists in residence.

33 (b) "Council" means the New York state council on the arts.

34 (c) "Eligible school" means a public school receiving federal funds
35 pursuant to Title I of the Elementary and Secondary Education Act of
36 nineteen hundred sixty-five.

37 (d) "Recipient designee" means an eligible school or, at the school's
38 option, a community-based organization, vendor, fiscal agent, or other
39 third party nominated by an eligible school to receive and administer an
40 art education award on the school's behalf, provided such entity is
41 prequalified in the New York state statewide financial system.

42 (e) "Regrant administrator" means an entity selected by the council to
43 receive funds pursuant to the provisions of this section.

44 (f) "Three-year award term" means a funding commitment covering three
45 consecutive fiscal years which secures an award with a floor of fifteen
46 thousand dollars in the first year of such award, and the second and
47 third years subject to annual funding availability.

48 (g) "Rural school" means an eligible school located in a district
49 classified as "rural" or "rural high-need" by the state education
50 department, or any successor designation.

51 (h) "Base per-pupil rate" means the statewide per-pupil allocation
52 calculated pursuant to subdivision five of this section.

53 (i) "Award amount" means the final allocation to an eligible school
54 after application of the minimum and maximum award adjustments set forth
55 in subdivision five of this section.

1 2. There is hereby created in the joint custody of the state comp-
2 troller and the commissioner of taxation and finance a fund to be known
3 as the "art education fund".

4 3. Such fund shall consist of all revenues received by the department
5 of taxation and finance, pursuant to the provisions of section eleven
6 hundred ninety-nine-b of the tax law and all other monies appropriated,
7 credited, or transferred thereto from any other fund or source pursuant
8 to law. Monies in the fund shall be kept separate and shall not be
9 commingled with any other monies otherwise appropriated or received
10 except as hereby provided.

11 4. (a) One percent of the monies of the fund shall be made available
12 to the council for administrative costs.

13 (b) The remaining ninety-nine percent of the monies of the fund shall
14 be available to the council to be transferred to one or more regrant
15 administrators for the purpose of providing assistance for art education
16 and art supplies at public schools receiving federal funds pursuant to
17 Title I of the Elementary and Secondary Education Act of nineteen
18 hundred sixty-five, as amended. Awards shall not be issued on a
19 reimbursement basis. Provided, however, that a regrant administrator
20 may retain up to one percent of the funds it receives for administrative
21 costs and shall redistribute the remaining ninety-nine percent to recip-
22 ient designees for three-year award terms.

23 (c) Any monies remaining in the fund or any regrant administrator
24 account at the end of each fiscal year which have not been expended for
25 art education or art supplies shall be either retained or redeposited
26 into the fund, as applicable.

27 5. (a) The council shall select as regrant administrators the twenty-
28 six state community regrant partners. Where an eligible school is not
29 served by a community regrant partner, the council may designate an
30 alternative entity to administer awards in that region. Regional allo-
31 cations shall be based on each region's proportionate share of pupils
32 enrolled in Title I programs. Award amounts shall be calculated as
33 follows:

34 (i) Base per-pupil rate. The council shall annually calculate a state-
35 wide base per-pupil rate by dividing the total amount available for
36 awards by the total number of pupils enrolled in Title I programs at
37 eligible schools.

38 (ii) Provisional allocation. Each eligible school shall receive a
39 provisional allocation equal to the base per-pupil rate multiplied by
40 the number of pupils enrolled in Title I programs at such school.

41 (iii) Minimum award adjustments. A rural school shall receive not less
42 than ten thousand dollars. A non-rural school shall receive not less
43 than fifteen thousand dollars.

44 (iv) Maximum award adjustment. No eligible school shall receive more
45 than twenty thousand dollars.

46 (v) Normalization. If the total amount of awards calculated pursuant
47 to this subdivision exceeds the amount available for awards, the council
48 shall proportionally adjust the award amounts of schools whose allo-
49 cations exceed the applicable minimum award until the total equals the
50 amount available for awards.

51 (vi) Three-year award term. Awards shall be issued for three-year
52 award terms, subject to annual funding availability.

53 (b) Guidelines issued pursuant to this subdivision shall be limited to
54 administrative procedures necessary to implement the formula set forth
55 in subdivision five of this section and shall not impose application,
56 competitive review, or scoring requirements.

1 6. The council shall provide by September first of each year, to the
2 governor, the temporary president of the senate, the speaker of the
3 assembly, the chair of the senate finance committee and the chair of the
4 assembly ways and means committee, a report containing guidelines and
5 amendments established by the state council on the arts and a complete
6 financial statement including, but not limited to, monies allocated,
7 collected, transferred or otherwise paid or credited to the fund. A
8 projected schedule of disbursements and receipts of the fund for the
9 next fiscal year shall be included in each report. In addition, any
10 amendments to the guidelines shall be provided to the above listed indi-
11 viduals within thirty days of their establishment by the council.

12 7. No monies shall be payable from this fund, except on the audit and
13 warrant of the comptroller on vouchers certified and submitted by the
14 chair of the council.

15 § 3. This act shall take effect on the first of January next succeed-
16 ing the date on which it shall have become a law. Effective immediately,
17 the addition, amendment and/or repeal of any rule or regulation neces-
18 sary for the implementation of this act on its effective date are
19 authorized to be made and completed on or before such effective date.