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I N   S E N A T E

February 11, 2010

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Introduced by Sen. C. JOHNSON -- read twice and ordered printed, and  
when printed to be committed to the Committee on Investigations and  
Government Operations

AN ACT to amend the tax law, in relation to creating a taxpayer abuse  
sanction

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. The tax law is amended by adding a new section 608 to read  
2     as follows:  
3     S 608. TAXPAYER ABUSE SANCTION. (A) FOR PURPOSES OF THIS SECTION, THE  
4     TERM "PUBLIC RETIREMENT SYSTEM OF THE STATE" SHALL MEAN THE NEW YORK  
5     STATE EMPLOYEES' RETIREMENT SYSTEM, NEW YORK STATE POLICEMEN'S AND FIRE-  
6     MEN'S RETIREMENT SYSTEM, NEW YORK STATE TEACHERS' RETIREMENT SYSTEM, NEW  
7     YORK CITY EMPLOYEES' RETIREMENT SYSTEM, NEW YORK CITY TEACHERS' RETIRE-  
8     MENT SYSTEM, NEW YORK CITY POLICE PENSION FUND, NEW YORK CITY FIRE  
9     DEPARTMENT PENSION FUND, THE NEW YORK CITY BOARD OF EDUCATION RETIREMENT  
10    SYSTEM AND ANY OTHER RETIREMENT SYSTEM OF THE STATE OR CITY OF NEW YORK.  
11    (B) FOR TAXABLE YEARS BEGINNING ON OR AFTER JANUARY FIRST, TWO THOU-  
12    SAND TEN, THERE SHALL BE A SANCTION IMPOSED AGAINST THE INCOME OF ANY  
13    MEMBER OF A PUBLIC RETIREMENT SYSTEM OF THE STATE, WHO WAS CONVICTED OF:  
14    (1) GRAND LARCENY IN THE FIRST DEGREE PURSUANT TO SECTION 155.42 OF THE  
15    PENAL LAW; (2) GRAND LARCENY IN THE SECOND DEGREE PURSUANT TO SECTION  
16    155.40 OF THE PENAL LAW; OR (3) SCHEME TO DEFRAUD IN THE FIRST DEGREE  
17    PURSUANT TO SECTION 190.65 OF THE PENAL LAW; WHERE SUCH CONVICTION WAS  
18    BASED UPON ACTS COMMITTED WHICH RELATED TO THE NATURE OF SUCH MEMBER'S  
19    PUBLIC SERVICE.  
20    (C) SUCH SANCTION SHALL BE IMPOSED FOR ANY TAXABLE YEAR DURING WHICH  
21    SUCH MEMBER OF A PUBLIC RETIREMENT SYSTEM OF THE STATE IS ELIGIBLE TO  
22    RECEIVE A PENSION BENEFIT AND SHALL BE IN AN AMOUNT EQUAL TO THE AMOUNT  
23    OF ANY SUCH BENEFIT RECEIVED DURING SUCH TAXABLE YEAR.  
24    S 2. This act shall take effect immediately and shall apply to taxable  
25    years beginning on or after January 1, 2010.

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

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