S T A T E O F N E W Y O R K

S. 4866 A. 7844

2009-2010 Regular Sessions

S E N A T E - A S S E M B L Y

April 27, 2009

IN SENATE -- Introduced by Sen. SERRANO -- read twice and ordered printed, and when printed to be committed to the Committee on Cities

IN ASSEMBLY -- Introduced by M. of A. KELLNER -- read once and referred to the Committee on Cities

AN ACT to amend the administrative code of the city of New York and the tax law, in relation to imposing a fee on the use of plastic carryout bags

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

Section 1. Title 11 of the administrative code of the city of New York is amended by adding a new chapter 30 to read as follows:

CHAPTER 30

PLASTIC CARRYOUT BAGS

S 11-3001 IMPOSITION OF FEE ON PLASTIC CARRYOUT BAGS. A. THERE IS HEREBY IMPOSED AND THERE SHALL BE PAID A FEE OF FIVE CENTS FOR EACH PLASTIC CARRYOUT BAG PROVIDED BY A STORE TO A CUSTOMER AS AUTHORIZED BY SUBDIVISION (A) OF SECTION TWELVE HUNDRED TWELVE-B OF THE TAX LAW.

B. THE FEE IMPOSED BY THIS SECTION SHALL BE IN ADDITION TO ANY AND ALL OTHER FEES OR TAXES AUTHORIZED OR IMPOSED UNDER ANY OTHER PROVISION OF LAW.

S 11-3002 INCORPORATION OF PROVISIONS. THE PROVISIONS OF ARTICLES TWENTY-EIGHT AND TWENTY-NINE OF THE TAX LAW RELATING OR APPLICABLE TO THE FEE IMPOSED BY SECTION 11-3001 OF THIS CHAPTER, INCLUDING THE APPLICABLE DEFINITIONS, TRANSITIONAL PROVISIONS, LIMITATIONS, SPECIAL PROVISIONS, EXEMPTIONS, EXCLUSIONS, REFUNDS, CREDITS AND ADMINISTRATIVE PROVISIONS, SO FAR AS THOSE PROVISIONS CAN BE MADE APPLICABLE TO THE FEE IMPOSED BY THIS SECTION, SHALL APPLY TO THE FEE IMPOSED BY THIS SECTION WITH THE SAME FORCE AND EFFECT AS IF THOSE PROVISIONS HAD BEEN INCORPORATED IN FULL INTO THIS SECTION AND HAD EXPRESSLY REFERRED TO THE FEE IMPOSED BY THIS SECTION, EXCEPT TO THE EXTENT THAT ANY PROVISION OF

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

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ARTICLE TWENTY-EIGHT OR TWENTY-NINE OF THE TAX LAW IS EITHER INCONSISTENT WITH OR NOT RELEVANT TO THE FEE IMPOSED BY THIS SECTION OR AS OTHERWISE PROVIDED BY LAW.

S 11-3003 DEFINITIONS. WHEN USED IN THIS CHAPTER THE FOLLOWING TERMS SHALL MEAN OR INCLUDE:

1. "CUSTOMER". A PERSON WHO PURCHASES TANGIBLE PERSONAL PROPERTY FROM A STORE.

2. "MANUFACTURER". THE PRODUCER OF A PLASTIC CARRYOUT BAG SOLD TO A STORE OR THE MANUFACTURER'S AGENT OR BROKER WHO SOLD THE PLASTIC BAG TO THE STORE.

3. "PLASTIC CARRYOUT BAG". A PLASTIC BAG PROVIDED BY A STORE TO A CUSTOMER THAT HAS HANDLES AND IS LESS THAN 2.25 MILS THICK.

4. "REUSABLE BAG". (A) A BAG MADE OF CLOTH OR OTHER MACHINE WASHABLE FABRIC THAT HAS HANDLES, OR (B) A DURABLE PLASTIC BAG, WITH HANDLES, THAT IS AT LEAST 2.25 MILS THICK AND IS SPECIFICALLY DESIGNED AND MANUFACTURED FOR MULTIPLE REUSE.

5. "STORE". A VENDOR, OPERATOR OR RECIPIENT, AS THOSE TERMS ARE DEFINED IN SECTION ELEVEN HUNDRED ONE OF THE TAX LAW, WHO PROVIDES PLASTIC CARRYOUT BAGS TO CUSTOMERS.

S 11-3004 SALES SLIP ITEMIZED. EVERY STORE REQUIRED TO COLLECT THE FEE SHALL COLLECT THE FEE FROM THE CUSTOMER WHEN PROVIDING THE PLASTIC BAG. IF THE CUSTOMER IS GIVEN A SALES SLIP, INVOICE, RECEIPT OR OTHER STATEMENT OR MEMORANDUM OF THE PRICE PAID, THE NUMBER OF PLASTIC CARRYOUT BAGS PROVIDED AND THE TOTAL AMOUNT OF THE FEE CHARGED SHALL BE SHOWN SEPARATELY ON THE FIRST OF SUCH DOCUMENTS GIVEN TO THE CUSTOMER.

S 11-3005 FEE NOT SUBJECT TO TAX. THE FEE IMPOSED BY SECTION 11-3001 OF THIS CHAPTER SHALL NOT BE INCLUDED IN THE RECEIPTS SUBJECT TO TAX UNDER ANY PROVISION OF ARTICLE TWENTY-EIGHT OR ARTICLE TWENTY-NINE OF THE TAX LAW.

S 11-3006 PAYMENT OF FEE. THE STORE SHALL PAY TO THE STATE COMMISSIONER OF TAXATION AND FINANCE THE SUM OF FIVE CENTS FOR EACH PLASTIC CARRYOUT BAG THAT IT PROVIDES TO A CUSTOMER AND FOR WHICH IT COLLECTS THE FEE IMPOSED BY SECTION 11-3001 OF THIS CHAPTER.

S 11-3007 REIMBURSEMENT OF FEE PROHIBITED. IT SHALL BE A VIOLATION OF THIS CHAPTER FOR ANY STORE THAT IS SUBJECT TO THE REQUIREMENTS OF THIS CHAPTER TO REIMBURSE A CUSTOMER FOR, OR OTHERWISE PAY, ANY PORTION OF THE FEE. NOTHING IN THE FOREGOING SENTENCE SHALL PROHIBIT A STORE FROM PROVIDING A MONETARY INCENTIVE TO CUSTOMERS WHO BRING A REUSABLE BAG TO CARRY TANGIBLE PERSONAL PROPERTY FROM A STORE.

S 11-3008 ADMINISTRATION, COLLECTION AND DISTRIBUTION OF FEE. THE FEE IMPOSED BY SECTION 11-3001 OF THIS CHAPTER SHALL BE ADMINISTERED, COLLECTED AND DISTRIBUTED BY THE STATE COMMISSIONER OF TAXATION AND FINANCE AS PROVIDED IN ARTICLES TWENTY-EIGHT AND TWENTY-NINE OF THE TAX LAW.

S 11-3009 EXEMPT ORGANIZATIONS. THE FEE IMPOSED BY SECTION 11-3001 OF THIS CHAPTER SHALL NOT BE IMPOSED ON ANY TRANSACTION BY OR WITH THE FOLLOWING:

1. THE STATE OF NEW YORK, OR ANY OF ITS AGENCIES, INSTRUMENTALITIES, PUBLIC CORPORATIONS (INCLUDING A PUBLIC CORPORATION CREATED PURSUANT TO AGREEMENT OR COMPACT WITH ANOTHER STATE OR CANADA) OR POLITICAL SUBDIVISIONS;

2. THE UNITED STATES OF AMERICA, AND ANY OF ITS AGENCIES AND INSTRUMENTALITIES INSOFAR AS IT IS IMMUNE FROM TAXATION;

3. THE UNITED NATIONS OR OTHER INTERNATIONAL ORGANIZATIONS OF WHICH THE UNITED STATES OF AMERICA IS A MEMBER; AND

4. ANY CORPORATION, ASSOCIATION, TRUST, COMMUNITY CHEST, FUND, FOUNDATION, OR LIMITED LIABILITY COMPANY, ORGANIZED AND OPERATED EXCLUSIVELY FOR RELIGIOUS, CHARITABLE, SCIENTIFIC, TESTING FOR PUBLIC SAFETY, LITERARY OR EDUCATIONAL PURPOSES, OR FOR THE PREVENTION OF CRUELTY TO CHILDREN OR ANIMALS, NO PART OF THE NET EARNINGS OF WHICH INURES TO THE BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL, NO SUBSTANTIAL PART OF THE ACTIVITIES OF WHICH IS CARRYING ON PROPAGANDA, OR OTHERWISE ATTEMPTING TO INFLUENCE LEGISLATION, (EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (H) OF SECTION FIVE HUNDRED ONE OF THE UNITED STATES INTERNAL REVENUE CODE OF NINETEEN HUNDRED FIFTY-FOUR, AS AMENDED), AND WHICH DOES NOT PARTICIPATE IN OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTING OF STATEMENTS) ANY POLITICAL CAMPAIGN ON BEHALF OF ANY CANDIDATE FOR PUBLIC OFFICE.

S 11-3010 SEVERABILITY. IF ANY PROVISION OF THIS CHAPTER OR THE APPLICATION THEREOF SHALL FOR ANY REASON BE ADJUDGED BY ANY COURT OF COMPETENT JURISDICTION TO BE INVALID, SUCH JUDGMENT SHALL NOT AFFECT, IMPAIR OR INVALIDATE THE REMAINDER OF THIS CHAPTER BUT SHALL BE CONFINED IN ITS OPERATION TO THE PROVISION THEREOF DIRECTLY INVOLVED IN THE CONTROVERSY IN WHICH SUCH JUDGMENT SHALL HAVE BEEN RENDERED AND THE APPLICATION OF SUCH PROVISION TO OTHER PERSONS OR CIRCUMSTANCES SHALL NOT BE AFFECTED THEREBY.

S 2. Chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new subchapter 16 to read as follows:

SUBCHAPTER 16

PLASTIC CARRYOUT BAGS

S 20-810 DEFINITIONS. FOR PURPOSES OF THIS SUBCHAPTER, THE TERMS "CUSTOMER", "PLASTIC CARRYOUT BAG" AND "STORE" SHALL HAVE THE MEANINGS PROVIDED IN SECTION 11-3003 OF THIS CODE.

S 20-811 INFORMATION AVAILABLE. STORES SHALL MAKE READILY AVAILABLE TO ANY CUSTOMER OR PROSPECTIVE CUSTOMER INFORMATION REGARDING THE FEE ON PLASTIC CARRYOUT BAGS IMPOSED BY SECTION 11-3001 OF THIS CODE. THE DEPARTMENT SHALL PROMULGATE RULES PRESCRIBING THE FORM AND CONTENT OF SUCH INFORMATION.

S 20-812 PENALTIES. ANY STORE THAT VIOLATES SECTION 20-811 OF THIS SUBCHAPTER OR SECTION 11-3004 OF THIS CODE SHALL BE LIABLE FOR A CIVIL PENALTY RECOVERABLE IN A PROCEEDING BEFORE THE ENVIRONMENTAL CONTROL BOARD IN THE AMOUNT OF THREE HUNDRED DOLLARS PER DAY FOR EACH DAY THAT THE STORE FAILS TO COMPLY WITH THE REQUIREMENTS OF ANY SUCH PROVISION.

S 20-813 ENFORCEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE COMMISSIONER SHALL BE AUTHORIZED TO ENFORCE SECTION 20-811 OF THIS SUBCHAPTER AND SECTION 11-3004 OF THIS CODE.

S 20-814 RULES. THE COMMISSIONER SHALL HAVE THE AUTHORITY TO PROMULGATE SUCH RULES AS THE COMMISSIONER SHALL DEEM NECESSARY TO IMPLEMENT THE PROVISIONS OF THIS SUBCHAPTER.

S 3. The tax law is amended by adding a new section 1212-B to read as follows:

S 1212-B. FEE ON PLASTIC CARRYOUT BAGS WITHIN CITIES OF ONE MILLION OR MORE. (A) AUTHORIZATION FOR IMPOSITION OF FEE. ANY CITY WITH A POPULATION OF ONE MILLION OR MORE IS HEREBY AUTHORIZED TO ADOPT AND AMEND LOCAL LAWS IMPOSING IN ANY SUCH CITY A FEE OF FIVE CENTS FOR EACH PLASTIC CARRYOUT BAG PROVIDED BY A STORE TO A CUSTOMER.

(B) INCORPORATION OF PROVISIONS. ALL PROVISIONS SET FORTH IN ARTICLE TWENTY-EIGHT OF THIS CHAPTER APPLICABLE TO THE TAXES IMPOSED UNDER SECTION ELEVEN HUNDRED FIVE OF THIS CHAPTER, INCLUDING THE DEFINITION AND EXEMPTION PROVISIONS OF SUCH ARTICLE, SHALL APPLY IN RESPECT TO A

FEE IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION, EXCEPT AS TO RATE AND EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION.

(C) DEFINITIONS. FOR PURPOSES OF THE FEE IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION:

(1) "CUSTOMER" MEANS A PERSON WHO PURCHASES TANGIBLE PERSONAL PROPERTY FROM A STORE;

(2) "MANUFACTURER" MEANS THE PRODUCER OF A PLASTIC CARRYOUT BAG SOLD TO A STORE OR THE MANUFACTURER'S AGENT OR BROKER WHO SOLD THE PLASTIC BAG TO THE STORE;

(3) "PLASTIC CARRYOUT BAG" MEANS A PLASTIC BAG PROVIDED BY A STORE TO A CUSTOMER THAT HAS HANDLES AND IS LESS THAN 2.25 MILS THICK;

(4) "REUSABLE BAG" MEANS: (A) A BAG MADE OF CLOTH OR OTHER MACHINE WASHABLE FABRIC THAT HAS HANDLES; OR (B) A DURABLE PLASTIC BAG, WITH HANDLES, THAT IS AT LEAST 2.25 MILS THICK AND IS SPECIFICALLY DESIGNED AND MANUFACTURED FOR MULTIPLE REUSE; AND

(5) "STORE" MEANS A VENDOR, OPERATOR OR RECIPIENT WHO PROVIDES PLASTIC CARRYOUT BAGS TO CUSTOMERS.

(D) SALES SLIP ITEMIZED. EVERY STORE REQUIRED TO COLLECT THE FEE SHALL COLLECT THE FEE FROM THE CUSTOMER WHEN PROVIDING THE PLASTIC BAG. IF THE CUSTOMER IS GIVEN A SALES SLIP, INVOICE, RECEIPT OR OTHER STATEMENT OR MEMORANDUM OF THE PRICE PAID, THE NUMBER OF PLASTIC CARRYOUT BAGS PROVIDED AND THE TOTAL AMOUNT OF THE FEE CHARGED SHALL BE SHOWN SEPARATELY ON THE FIRST OF SUCH DOCUMENTS GIVEN TO THE CUSTOMER.

(E) FEE NOT SUBJECT TO TAX. THE FEE IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION SHALL NOT BE INCLUDED IN THE RECEIPTS SUBJECT TO TAX UNDER ANY PROVISION OF THIS ARTICLE OR ARTICLE TWENTY-EIGHT OF THIS CHAPTER.

(F) PAYMENT OF FEE. THE STORE SHALL PAY TO THE COMMISSIONER THE SUM OF FIVE CENTS FOR EACH PLASTIC CARRYOUT BAG THAT IT PROVIDES TO A CUSTOMER AND FOR WHICH IT COLLECTS THE FEE IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION.

(G) REIMBURSEMENT OF FEE PROHIBITED. IT SHALL BE A VIOLATION OF THIS SECTION FOR ANY STORE THAT IS SUBJECT TO THE REQUIREMENTS OF THIS SECTION TO REIMBURSE A CUSTOMER FOR, OR OTHERWISE PAY, ANY PORTION OF THE FEE. NOTHING IN THE FOREGOING SENTENCE SHALL PROHIBIT A STORE FROM PROVIDING A MONETARY INCENTIVE TO CUSTOMERS WHO BRING A REUSABLE BAG TO CARRY TANGIBLE PERSONAL PROPERTY FROM A STORE.

(H) ADMINISTRATION, COLLECTION AND DISTRIBUTION. ALL FEES IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION SHALL BE ADMINISTERED AND COLLECTED BY THE COMMISSIONER, AS PROVIDED IN SUBPART B OF PART III OF THIS ARTICLE, AND SHALL BE DISTRIBUTED BY THE COMMISSIONER AS PROVIDED IN PART IV OF THIS ARTICLE.

(I) APPLICATION OF THE TERM FEE. THE TERM "TAX" IN SUBPART B OF PART III OF THIS ARTICLE AND PART IV OF THIS ARTICLE SHALL INCLUDE THE FEE IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION.

(J) FEE IN ADDITION TO OTHERS. A FEE IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION SHALL BE IN ADDITION TO ANY OTHER FEE OR TAX WHICH A CITY MAY IMPOSE OR MAY BE IMPOSING PURSUANT TO THIS ARTICLE OR ANY OTHER LAW, AND MAY BE IMPOSED NOTWITHSTANDING ANY INCONSISTENT PROVISIONS OF THIS ARTICLE OR ANY OTHER LAW.

(K) EXEMPT ORGANIZATIONS. ANY TAX IMPOSED UNDER THE AUTHORITY OF SUBDIVISION (A) OF THIS SECTION SHALL NOT BE IMPOSED ON ANY TRANSACTION BY OR WITH THE FOLLOWING:

(1) THE STATE OF NEW YORK, OR ANY OF ITS AGENCIES, INSTRUMENTALITIES, PUBLIC CORPORATIONS (INCLUDING A PUBLIC CORPORATION CREATED PURSUANT TO

AGREEMENT OR COMPACT WITH ANOTHER STATE OR CANADA) OR POLITICAL SUBDIVISIONS;

(2) THE UNITED STATES OF AMERICA, AND ANY OF ITS AGENCIES AND INSTRUMENTALITIES INSOFAR AS IT IS IMMUNE FROM TAXATION;

(3) THE UNITED NATIONS OR OTHER INTERNATIONAL ORGANIZATIONS OF WHICH THE UNITED STATES OF AMERICA IS A MEMBER; AND

(4) ANY CORPORATION, ASSOCIATION, TRUST, COMMUNITY CHEST, FUND, FOUNDATION, OR LIMITED LIABILITY COMPANY, ORGANIZED AND OPERATED EXCLUSIVELY FOR RELIGIOUS, CHARITABLE, SCIENTIFIC, TESTING FOR PUBLIC SAFETY, LITERARY OR EDUCATIONAL PURPOSES, OR FOR THE PREVENTION OF CRUELTY TO CHILDREN OR ANIMALS, NO PART OF THE NET EARNINGS OF WHICH INURES TO THE BENEFIT OF ANY PRIVATE SHAREHOLDER OR INDIVIDUAL, NO SUBSTANTIAL PART OF THE ACTIVITIES OF WHICH IS CARRYING ON PROPAGANDA, OR OTHERWISE ATTEMPTING TO INFLUENCE LEGISLATION, (EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (H) OF SECTION FIVE HUNDRED ONE OF THE UNITED STATES INTERNAL REVENUE CODE OF NINETEEN HUNDRED FIFTY-FOUR, AS AMENDED), AND WHICH DOES NOT PARTICIPATE IN OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTING OF STATEMENTS) ANY POLITICAL CAMPAIGN ON BEHALF OF ANY CANDIDATE FOR PUBLIC OFFICE.

S 4. Section 1250 of the tax law, as amended by chapter 169 of the laws of 1970, is amended to read as follows:

S 1250. Administration and collection. The taxes imposed under the authority of sections twelve hundred ten[, twelve hundred eleven, twelve hundred twelve and twelve hundred twelve-A] THROUGH TWELVE HUNDRED TWELVE-B OF THIS ARTICLE shall be administered and collected by the state tax commission in the same manner as the taxes imposed under article twenty-eight of this chapter are administered and collected by such commission. All of the provisions of such article relating to or applicable to the administration and collection of the taxes imposed by that article shall apply to the taxes imposed under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE, including sections eleven hundred one and eleven hundred eleven and sections eleven hundred thirty-one through eleven hundred forty-seven, with the same force and effect as if those provisions had been incorporated in full into this article and had expressly referred to the taxes imposed under sections twelve hundred ten through twelve hundred [twelve-A] TWELVE-B OF THIS ARTICLE, except to the extent that any provisions of such article twenty-eight are either inconsistent with a provision of this article or are not relevant to this article. For purposes of this article, the term "tax" in part IV of such article twenty-eight shall include any tax imposed under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE. Wherever there is joint collection of state and local taxes, it shall be deemed that such collections shall represent proportionally the applicable state and local taxes in determining the amount to be remitted to local taxing jurisdictions.

S 5. Subdivision (a) of section 1251 of the tax law, as amended by chapter 155 of the laws of 1982, is amended to read as follows:

(a) Every person required to collect any of the taxes imposed under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE shall file a return as required by subdivision (a) of section eleven hundred thirty-six with the tax commission, except that return for the quarterly period ending August thirty-first, nine-

teen hundred sixty-five shall only cover the month of August, nineteen hundred sixty-five. The return of a vendor of tangible personal property or services shall show his receipts from sales and also the aggregate value of tangible personal property and services sold by him, the use of which is subject to a tax imposed under the authority of this article and the amount of taxes required to be collected with respect to such sales and use. The return of a recipient of amusement charges shall show all such charges and the amount of tax thereon, [and] the return of an operator required to collect tax on rents shall show all rents received or charged and the amount of tax thereon AND THE RETURN OF A VENDOR, OPERATOR OR RECIPIENT REQUIRED TO COLLECT A FEE ON PLASTIC CARRYOUT BAGS SHALL SHOW THE NUMBER OF PLASTIC CARRYOUT BAGS PROVIDED AND THE TOTAL FEE COLLECTED. Every person required to file a part-quarterly return pursuant to subdivision (a) of section eleven hundred thirty-six shall file a return for the same periods for the taxes imposed pursuant to this article. Provided, however, where a part-quarterly return described in paragraph (i) or (ii) of subdivision (a) of section eleven hundred thirty-six is filed for purposes of complying with this section and section eleven hundred thirty-six or subdivision (a) or (b) of section eleven hundred thirty-seven-A, on such returns separate amounts due for the taxes imposed by each county, city or school district, pursuant to the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE, need not be shown. Rather, such returns shall only show the aggregate amount of all such local taxes calculated in the manner provided for in paragraph (i) or (ii) of subdivision (a) of section eleven hundred thirty-six except that in the case of a short-form, part-quarterly return, where a county, city or school district did not impose a tax in the comparable quarter of the immediately preceding year, the tax for that locality shall be calculated on such basis as the tax commission shall by regulation prescribe.

S 6. Subdivision (b) of section 1252 of the tax law, as amended by chapter 169 of the laws of 1970, is amended to read as follows:

(b) The tax commission, in its discretion, may require or permit any or all persons liable for any tax or required to collect any tax authorized under section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE to make payment to such banks, banking houses or trust companies designated by the tax commission and to file returns with such banks, banking houses or trust companies, as agent of the state tax commission, in lieu of paying the taxes imposed under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE directly to the state tax commission. However, the tax commission can only designate such banks, banking houses and trust companies which are already designated by the comptroller as depositories pursuant to section eleven hundred forty-eight of this chapter.

S 7. Section 1253 of the tax law, as amended by chapter 169 of the laws of 1970, is amended to read as follows:

S 1253. Registration. Every person required to register pursuant to section eleven hundred thirty-four shall be required to register for purposes of the taxes imposed under the authority of sections twelve hundred ten[, twelve hundred eleven, twelve hundred twelve and twelve hundred twelve-A] THROUGH TWELVE HUNDRED TWELVE-B OF THIS ARTICLE. However, only one certificate of authority need be issued. Persons who elect to register under such section eleven hundred thirty-four pursuant

to the election provided therein shall also be required to make a similar election for purposes of the taxes imposed under the authority of such sections twelve hundred ten[, twelve hundred eleven, twelve hundred twelve and twelve hundred twelve-A] THROUGH TWELVE HUNDRED TWELVE-B OF THIS ARTICLE, but only one certificate of authority need be issued.

S 8. Subdivision (a) of section 1254 of the tax law, as amended by chapter 169 of the laws of 1970, is amended to read as follows:

(a) Every person required to collect tax, as defined in section eleven hundred thirty-one, who is required to collect any state tax imposed under sections eleven hundred five, eleven hundred six or eleven hundred ten, shall at the same time collect any applicable tax imposed by a city, county or school district under the authority of sections twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE, and where the state tax is a retail sales tax, shall also collect any compensating use tax which may be applicable as provided in sections twelve hundred thirteen or twelve hundred fourteen.

S 9. Subdivisions (a) and (b) and paragraph 1 of subdivision (c) of section 1261 of the tax law, subdivision (a) as amended by chapter 182 of the laws of 2005, subdivision (b) as amended by chapter 84 of the laws of 2000 and paragraph 1 of subdivision (c) as amended by section 9 of part SS-1 of chapter 57 of the laws of 2008, are amended to read as follows:

(a) All taxes, penalties and interest imposed by cities, counties or school districts under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B of this article, which are collected by the commissioner, shall be deposited daily with such responsible banks, banking houses or trust companies, as may be designated by the state comptroller, to the credit of the comptroller, in trust for the cities, counties or school districts imposing the tax or for (i) the Nassau county interim finance authority or (ii) the Buffalo fiscal stability authority or (iii) the Erie county fiscal stability authority, created by the public authorities law, (i) to the extent that net collections from taxes imposed by Nassau county are payable to the Nassau county interim finance authority or (ii) to the extent that net collections from taxes imposed by Erie county or by the city of Buffalo are payable to the Buffalo fiscal stability authority or (iii) to the extent that net collections from taxes imposed by Erie county are payable to the Erie county fiscal stability authority, or for any public benefit corporation to which the tax may be payable pursuant to law. Such deposits and deposits received pursuant to subdivision (b) of section twelve hundred fifty-two of this article shall be kept in trust and separate and apart from all other monies in the possession of the comptroller. The comptroller shall require adequate security from all such depositories of such revenue collected by the commissioner, including the deposits received pursuant to subdivision (b) of section twelve hundred fifty-two of this article. Any amount payable to such authorities pursuant to the public authorities law shall, at the time it is otherwise payable to (i) Nassau county, (ii) Erie county or the city of Buffalo, or (iii) Erie county, respectively, as specified in this section, be paid instead to such respective authority. Any amount payable to a public benefit corporation pursuant to law shall, at the time it is otherwise payable to the taxing jurisdiction as specified in this section, be paid instead to such public benefit corporation.

(b) The comptroller shall retain in the comptroller's hands such amount as the commissioner may determine to be necessary for refunds in respect to the taxes imposed by cities, counties and school districts, under the authority of section twelve hundred ten, twelve hundred eleven, twelve hundred twelve [or], twelve hundred twelve-A OR TWELVE HUNDRED TWELVE-B OF THIS ARTICLE, and for reasonable costs of the commissioner in administering, collecting and distributing such taxes, out of which the comptroller shall pay any refunds of such taxes to which taxpayers shall be entitled under the provisions of this article.

(c)(1) The comptroller, after reserving such refund fund and such costs shall, on or before the twelfth day of each month pay to the appropriate fiscal officers of the foregoing taxing jurisdictions the taxes, penalties and interest imposed by such jurisdictions under the authority of sections twelve hundred ten through [twelve hundred twelve-A] TWELVE HUNDRED TWELVE-B of this article, collected by the commissioner pursuant to this article during the next preceding calendar month, provided, however, that the comptroller shall on or before the last day of June and December make a partial payment consisting of the collections made during and including the first twenty-five days of said months to said fiscal officers of the foregoing taxing jurisdictions.

S 10. This act shall take effect on the first day of the first sales tax quarterly period that begins on March first, June first, September first or December first at least ninety days after the day on which this act shall have become a law.