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

8455

I N S E N A T E

July 29, 2010

Introduced by Sen. PERALTA -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the tax law, in relation to payment of winning lottery tickets

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

Section 1. Section 1614 of the tax law, as amended by chapter 166 of the laws of 1991, subdivision a as amended by chapter 170 of the laws of 1994, is amended to read as follows:

S 1614. Unclaimed and abandoned prize money. a. No prize claim shall be valid if submitted to the division following the expiration of a one-year time period from the date of the drawing or from the close of the game in which a prize was won, and the person otherwise entitled to such prize shall forfeit any claim or entitlement to such prize moneys. Unclaimed prize money, plus interest earned thereon, shall be retained in the lottery prize account to be used for payment of special lotto or supplemental lotto prizes offered pursuant to the plan or plans specified in this article, or for promotional purposes to supplement other games on an occasional basis not to exceed sixteen weeks within any twelve month period pursuant to the plan or plans specified in this article.

NOTWITHSTANDING ANY INCONSISTENT PROVISION OF ANY OTHER LAW, RULE OR REGULATION, ALL WINNING TICKETS VALUED AT SIX HUNDRED DOLLARS OR LESS PRESENTED FOR PAYMENT WITHIN THE EXPIRATION OF A ONE-YEAR TIME PERIOD FROM THE DATE OF THE DRAWING OR FROM THE CLOSE OF THE GAME IN WHICH A PRIZE WAS WON SHALL BE PAID BY THE LOTTERY SALES AGENT PRESENTED WITH SUCH TICKET.

In the event that the director proposes to change any plan for the use of unclaimed prize funds or in the event the director intends to use funds in a game other than the game from which such unclaimed prize funds were derived, the director of the budget, the chairperson of the senate finance committee, and the chairperson of the assembly ways and means committee shall be notified in writing separately detailing the proposed changes to any plan prior to the implementation of the changes.

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

LBD18027-01-0

b. The division may determine that a prize has been abandoned whenever more than eighteen months have elapsed since a prize payment check was mailed to the last known address of the claimant and either such check has been returned undelivered by the United States postal service and the claimant cannot be located or such check has not been returned undelivered and has not been presented for payment. Any prize so determined to have been abandoned shall be paid to the state comptroller pursuant to section thirteen hundred fifteen of the abandoned property law.

S 2. This act shall take effect on the thirtieth day after it shall have become a law.