

447

2011-2012 Regular Sessions

I N   A S S E M B L Y

(PREFILED)

January 5, 2011

---

Introduced by M. of A. CAHILL, PEOPLES-STOKES, REILLY, N. RIVERA, WEIS-  
ENBERG -- Multi-Sponsored by -- M. of A. BOYLAND, BRENNAN, DESTITO,  
LATIMER, LAVINE, MOLINARO, ROBINSON, SCHROEDER -- read once and  
referred to the Committee on Education

AN ACT to amend the education law, the real property tax law and the tax  
law, in relation to abolishing certain school taxes, providing for  
alternative taxes and state distribution to school districts; and  
repealing certain provisions of the real property tax law and the tax  
law relating to certain taxes

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

1     Section 1. Title V of the education law is amended by adding a new  
2     article 71 to read as follows:

3                                     ARTICLE 71

4                     FINANCING OF SCHOOL DISTRICTS

5     SECTION 3501. LEGISLATIVE INTENT.

6             3502. BASIC QUALITY EDUCATION.

7             3503. MINIMUM APPORTIONMENT.

8             3504. COLLECTION AND DISTRIBUTION.

9             3505. CONSTRUCTION WITH OTHER LAWS.

10            3506. SEVERABILITY.

11     S 3501. LEGISLATIVE INTENT. IT IS THE INTENT OF THE LEGISLATURE TO  
12     FULFILL ITS OBLIGATIONS UNDER ARTICLE ELEVEN OF THE STATE CONSTITUTION  
13     WITH RESPECT TO THE FINANCING OF PUBLIC SCHOOLS WITHIN THIS STATE AND,  
14     AT THE SAME TIME, ELIMINATE THE INEQUITABLE AND REGRESSIVE REAL ESTATE  
15     TAX AS THE SUPPORT OF SUCH SCHOOLS. THE LEGISLATURE HEREBY FURTHER  
16     INTENDS TO GUARANTEE THE QUALITY AND EQUALITY OF EDUCATION FOR ALL OUR  
17     CHILDREN, WHILE LEAVING WITH THE INDIVIDUAL SCHOOL DISTRICTS THE PRESENT  
18     LEVEL OF LOCAL CONTROL INCLUDING THE AUTHORITY TO PERMIT OR PROHIBIT THE

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

LBD01228-01-1

1 TRANSFER OF STUDENTS INTO OR OUT OF SUCH DISTRICTS IN ACCORDANCE WITH  
2 THE PROVISIONS OF THIS CHAPTER.

3 S 3502. BASIC QUALITY EDUCATION. 1. THE STATE SHALL ASSUME ALL COSTS  
4 OF BASIC QUALITY EDUCATION, IN ACCORDANCE WITH SECTION THIRTY-FIVE  
5 HUNDRED FOUR OF THIS ARTICLE, INCLUDING ALL GENERAL AND SPECIAL EDUCA-  
6 TIONAL SERVICES WHICH THE COMMISSIONER, UNDER GUIDELINES ESTABLISHED BY  
7 THE LEGISLATURE, SHALL DEFINE AS NECESSARY. BASIC QUALITY EDUCATION, AS  
8 DEFINED BY THE COMMISSIONER, SHALL ALLOW SUFFICIENT LATITUDE SO THAT  
9 CHOICES MAY BE MADE BY LOCAL SCHOOL DISTRICTS WITH RESPECT TO THEIR  
10 INDIVIDUAL NEEDS. AS USED IN THIS ARTICLE "BASIC" SHALL MEAN EQUAL  
11 SERVICES TO ALL PUPILS REGARDLESS OF DIFFERENCES IN COST IN DIFFERENT  
12 DISTRICTS FOR SUCH SERVICES.

13 2. SUCH COSTS SHALL BE FUNDED AS PROVIDED FOR BY THE LEGISLATURE, IN  
14 CONJUNCTION WITH THE ELIMINATION OF REAL ESTATE TAXES FOR THE SUPPORT OF  
15 EDUCATION. WITHIN THE CITIES OF NEW YORK, BUFFALO, ROCHESTER, SYRACUSE  
16 AND YONKERS, THE TAX ON REAL PROPERTY SHALL BE REDUCED BY THE DOLLAR  
17 AMOUNT OF SUCH CITY'S SHARE OF THE COST OF PUBLIC SCHOOL EDUCATION. SUCH  
18 REDUCTION SHALL BE APPORTIONED TO ALL REAL PROPERTY TAXPAYERS ON A PRO-  
19 RATA BASIS, AND TENANTS SHALL RECEIVE TAX CREDITS, TAX REBATES, OR  
20 REDUCTIONS IN RENT AS PROVIDED IN SECTION FOUR HUNDRED SIXTY-SEVEN-G OF  
21 THE REAL PROPERTY TAX LAW.

22 3. EACH SCHOOL DISTRICT SHALL SUBMIT A BASIC BUDGET TO THE DEPARTMENT  
23 FOR PURPOSES OF DETERMINING REIMBURSABLE SERVICES.

24 4. THE DEPARTMENT, UNDER DIRECTION OF THE BOARD OF REGENTS, SHALL  
25 ESTABLISH A SCHEDULE OF MANDATORY BASIC SERVICES AND AUTHORIZED COSTS  
26 THEREFOR RELATED TO DIFFERING COSTS THROUGHOUT THE STATE. SUCH BASIC  
27 SCHEDULE SHALL REFLECT GUIDELINES ESTABLISHED FOR THIS PURPOSE BY THE  
28 LEGISLATURE.

29 S 3503. MINIMUM APPORTIONMENT. IN ANY SCHOOL YEAR A DISTRICT MAY ELECT  
30 TO RECEIVE AS ITS BASIC BUDGET THE HIGHEST OF:

31 1. THE DISTRICT BUDGET OF THE SCHOOL YEAR DURING WHICH THIS ARTICLE  
32 SHALL TAKE EFFECT, EXCEPT THAT THIS APPORTIONMENT OPTION SHALL EXIST  
33 ONLY FOR THE PERIOD NOT EXCEEDING THE FIVE SCHOOL YEARS IMMEDIATELY  
34 AFTER THIS ARTICLE SHALL TAKE EFFECT.

35 2. THE PRODUCT OF (A) THE DISTRICT BUDGET OF THE SCHOOL YEAR DURING  
36 WHICH THIS ARTICLE SHALL TAKE EFFECT DIVIDED BY THE ENROLLMENT AT THE  
37 START OF SUCH YEAR AND (B) THE ENROLLMENT AT THE START OF THE SCHOOL  
38 YEAR FOR WHICH THE BUDGET IS BEING DETERMINED. THIS APPORTIONMENT OPTION  
39 SHALL EXIST ONLY FOR THE PERIOD NOT EXCEEDING THE FIVE SCHOOL YEARS  
40 IMMEDIATELY AFTER THE EFFECTIVE DATE OF THIS ARTICLE.

41 3. THE BASIC BUDGET SUBMITTED IN ACCORDANCE WITH SUBDIVISION THREE OF  
42 SECTION THIRTY-FIVE HUNDRED TWO OF THIS ARTICLE, EXCEPT THAT IN NO CASE  
43 SHALL THE PER PUPIL APPORTIONMENT EXCEED THE PER PUPIL APPORTIONMENT OF  
44 THE PREVIOUS YEAR BY MORE THAN THE AVERAGE STATEWIDE INCREASE OF PER  
45 PUPIL BUDGETS PLUS TEN PER CENTUM OF THE PER PUPIL APPORTIONMENT OF THE  
46 PREVIOUS YEAR.

47 S 3504. COLLECTION AND DISTRIBUTION. NOTWITHSTANDING THE PROVISIONS OF  
48 ANY OTHER LAW, CODE, RULE OR REGULATION, THE STATE SHALL, WITHIN FIVE  
49 YEARS FROM THE EFFECTIVE DATE OF THIS ARTICLE, COLLECT AND DISTRIBUTE TO  
50 SCHOOL DISTRICTS ALL MONEYS RELATING TO THE FINANCING OF PUBLIC EDUCA-  
51 TION, EXCLUSIVE OF HIGHER EDUCATION, WITHIN THIS STATE, AS PROVIDED BY  
52 THE LEGISLATURE. THIS ASSUMPTION BY THE STATE OF ALL COSTS OF BASIC  
53 QUALITY EDUCATION SHALL BE ACCOMPLISHED IN APPROXIMATELY EQUAL INCRE-  
54 MENTS OVER A FIVE YEAR PERIOD FROM THE EFFECTIVE DATE OF THIS ARTICLE.  
55 DURING THIS PERIOD, THE AMOUNT OF MONEY DERIVED BY EACH SCHOOL DISTRICT  
56 FROM REAL PROPERTY TAXES SHALL BE REDUCED ACCORDINGLY. AFTER FIVE YEARS

FROM THE EFFECTIVE DATE OF THIS ARTICLE, MONEYS DISTRIBUTED TO ANY SCHOOL DISTRICT SHALL BE REDUCED BY THE AMOUNT OF ANY REVENUES RECEIVED BY SUCH SCHOOL DISTRICT FROM TAXES IMPOSED ON REAL PROPERTY BY OR ON BEHALF OF SUCH SCHOOL DISTRICT.

S 3505. CONSTRUCTION WITH OTHER LAWS. THE PROVISIONS OF THIS ARTICLE SHALL BE CONTROLLING, NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW, CODE, RULE OR REGULATION TO THE CONTRARY. HOWEVER, NO EXISTING RIGHT OR REMEDY OF ANY CHARACTER SHALL BE LOST, IMPAIRED OR AFFECTED BY REASON OF THIS ARTICLE, NOR SHALL THE VALIDITY OF ANY ACTION TAKEN BY ANY PUBLIC OFFICIAL UNDER THE LAW IN FORCE IMMEDIATELY PRIOR TO THE TIME THIS ARTICLE SHALL TAKE EFFECT BE AFFECTED BY THE ENACTMENT OF THIS ARTICLE. COLLECTION OF ALL OUTSTANDING TAX LIENS SHALL BE PURSUANT TO THE PROVISIONS OF THE REAL PROPERTY TAX LAW.

S 3506. SEVERABILITY. IF ANY CLAUSE, SENTENCE, PARAGRAPH, SECTION OR PART OF THIS ARTICLE SHALL BE ADJUDGED BY ANY COURT OF COMPETENT JURISDICTION TO BE INVALID, SUCH JUDGMENT SHALL NOT AFFECT, IMPAIR OR INVALIDATE THE REMAINDER THEREOF, BUT SHALL BE CONFINED IN ITS OPERATION TO THE CLAUSE, SENTENCE, PARAGRAPH, SECTION OR PART THEREOF DIRECTLY INVOLVED IN THE CONTROVERSY IN WHICH SUCH JUDGMENT SHALL HAVE BEEN RENDERED.

S 2. Article 13 of the real property tax law is REPEALED.

S 3. The real property tax law is amended by adding a new section 467-g to read as follows:

S 467-G. PROVISIONS FOR TENANTS. IN EVERY CASE WHERE TAXES ON REAL PROPERTY ARE REDUCED DUE TO THE REDUCTION OF SCHOOL TAXES ON SUCH PROPERTY, THE AMOUNT OF SUCH REDUCTION SHALL BE PRO-RATED AMONG THE TENANTS, IF ANY, OF SUCH REAL PROPERTY, AND THE TOTAL RENTS REDUCED IN AN AMOUNT EQUAL TO SUCH REAL PROPERTY TAX REDUCTION. WHERE SUCH RENT REDUCTION IS PRECLUDED BY A LEASE OR OTHER AGREEMENT, SUCH REAL PROPERTY TAX REDUCTION SHALL ENTITLE SUCH TENANTS TO A TAX CREDIT IN THAT AMOUNT AGAINST INCOME TAXES DUE, OR TO A REBATE FOR ANY AMOUNT IN EXCESS OF INCOME TAXES DUE, UNTIL THE EXPIRATION OF SUCH LEASE OR AGREEMENT, AT WHICH TIME THE RENT SHALL BE REDUCED ACCORDINGLY.

S 4. Subdivision 1 and paragraphs (b) and (c) of subdivision 3 of section 972 of the real property tax law, subdivision 1 and paragraph (c) of subdivision 3 as amended and paragraph (b) of subdivision 3 as added by section 12 of part B of chapter 389 of the laws of 1997, are amended to read as follows:

1. Adoption. Notwithstanding any provisions of this chapter, or any other general, special or local law to the contrary, the legislative body of a county may, by local law, provide that thereafter and until such local law is repealed, the county shall become the tax collection agency for the purpose of collecting taxes in installments as prescribed by this title [and by sections thirteen hundred thirty-six through thirteen hundred forty-two of this chapter]. The term "taxes" as used in this title shall include special assessments which are levied by the county legislative body at the time and in the manner provided by law for the levy of county and town taxes.

(b) If an installment is not paid on or before the date it is due, additional interest shall be added as provided by section nine hundred seventy-five [or section thirteen hundred forty] of this [chapter] TITLE.

(c) The amount of any interest which shall be added to any installment pursuant to this section and section nine hundred seventy-five [or section thirteen hundred forty] of this [chapter] TITLE shall belong to the county.

1 S 5. Subdivision 6 of section 975 of the real property tax law, as  
2 added by chapter 953 of the laws of 1962, is amended to read as follows:

3 6. The county treasurer of a county which has enacted a local law  
4 pursuant to section nine hundred seventy-two of this [chapter] TITLE may  
5 promulgate and amend suitable rules and regulations prescribing the  
6 necessary forms for carrying into effect the provisions of this title  
7 [and of article thirteen of this chapter] relating to the installment  
8 payment of taxes.

9 S 6. Subdivision 5 of section 1618 of the real property tax law, as  
10 added by chapter 512 of the laws of 1993, is amended to read as follows:

11 5. When the state board has established a final equalization rate for  
12 a consolidated assessing unit as a whole, school district and county  
13 taxes within the consolidated assessing unit shall be apportioned with-  
14 out the use of equalization rates, notwithstanding the provisions of  
15 [articles] ARTICLE eight [and thirteen] of this chapter.

16 S 7. The tax law is amended by adding a new section 601-A to read as  
17 follows:

18 S 601-A. ADDITIONAL TAXES FOR EDUCATION. (A) IN ADDITION TO THE TAXES  
19 ON INCOME IMPOSED BY THIS CHAPTER FOR TAXABLE YEARS OR PERIODS ENDING ON  
20 OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN, THERE SHALL BE  
21 IMPOSED A TAX EQUAL TO A PERCENT OF THE TAXES IMPOSED BY SUCH SECTIONS  
22 AND ARTICLES AS IS NECESSARY TO FULFILL THE REQUIREMENTS OF SECTION  
23 THIRTY-FIVE HUNDRED TWO OF THE EDUCATION LAW. SUCH A TAX MAY BE LEVIED  
24 EITHER AS A SURTAX, OR BY READJUSTMENT OF THE APPROPRIATE TAX SCHEDULES.

25 (B) EACH SCHOOL DISTRICT MAY ALSO INCREASE THE ADDITIONAL TAXES FOR  
26 EDUCATION, IMPOSED PURSUANT TO SUBSECTION (A) OF THIS SECTION, BY RESOL-  
27 UTION ADOPTED BY A TWO-THIRDS VOTE PRIOR TO THE LEVY OF TAXES IN ANY  
28 YEAR. SUCH RESOLUTION SHALL PROVIDE FOR THE INCREASE TO BE IMPOSED  
29 EITHER IN THE FORM OF A HIGHER SURTAX RATE OR A STANDARD LUMP SUM  
30 AMOUNT; PROVIDED, THAT ALL SUCH PROCEEDS FROM THE INCREASE ON THE ADDI-  
31 TIONAL TAX FOR EDUCATION BE COLLECTED AND ACCRUED TO THE SCHOOL DISTRICT  
32 IN WHICH SUCH TAX WAS COLLECTED.

33 (C) THE COMMISSIONER SHALL ESTABLISH A SEPARATE ACCOUNT OR ACCOUNTS TO  
34 RECEIVE THE ADDITIONAL TAX IMPOSED BY SUBSECTIONS (A) AND (B) OF THIS  
35 SECTION AND SHALL PAY INTO SUCH ACCOUNT OR ACCOUNTS THE TOTAL OF ALL  
36 SUCH TAXES WHEN RECEIVED AND RETAIN THE SAME SUBJECT TO DISBURSEMENT IN  
37 ACCORDANCE WITH THE PROVISIONS OF THE EDUCATION LAW.

38 S 7-a. The real property tax law is amended by adding a new section  
39 307-b to read as follows:

40 S 307-B. ADDITIONAL TAX ON NON-RESIDENTIAL PROPERTY. 1. THE COMMIS-  
41 SIONER OF TAXATION AND FINANCE SHALL ESTABLISH AN ADDITIONAL TAX ON  
42 NON-RESIDENTIAL PROPERTY TO BE IMPOSED IN ADDITION TO OTHER LOCALLY  
43 LEVIED PROPERTY TAXES. SUCH TAX SHALL BE LEVIED BY THE STATE THROUGH THE  
44 COUNTY, CITY, TOWN OR VILLAGE GOVERNING BODY AND SHALL BE A LOW-RATE,  
45 UNIFORM TAX. FOR THE PURPOSES OF THIS SUBDIVISION, "NON-RESIDENTIAL  
46 PROPERTY" SHALL MEAN ANY (A) NON-RESIDENTIAL COMMERCIAL PROPERTY, (B)  
47 INDUSTRIAL PROPERTY, (C) AGRICULTURAL PROPERTY AND (D) VACANT LAND WHICH  
48 IS EITHER COMMERCIAL PROPERTY OR INDUSTRIAL PROPERTY.

49 2. THE COMMISSIONER OF TAXATION AND FINANCE SHALL SET THE RATE FOR THE  
50 ADDITIONAL TAX ON NON-RESIDENTIAL PROPERTY, AS REQUIRED BY SUBDIVISION  
51 ONE OF THIS SECTION, AT AN ADEQUATE RATE TO PROVIDE FUNDING FOR MEETING  
52 THE REQUIREMENTS OF SECTIONS THIRTY-FIVE HUNDRED ONE AND THIRTY-FIVE  
53 HUNDRED TWO OF THE EDUCATION LAW. THE COMMISSIONER OF TAXATION AND  
54 FINANCE SHALL ESTABLISH A SEPARATE ACCOUNT TO RECEIVE THE ADDITIONAL TAX  
55 IMPOSED BY SUBDIVISION ONE OF THIS SECTION AND SHALL PAY INTO SUCH  
56 ACCOUNT THE TOTAL OF ALL SUCH TAXES WHEN RECEIVED AND RETAIN THE SAME

1 SUBJECT TO DISBURSEMENT IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE  
2 SEVENTY-ONE OF THE EDUCATION LAW.

3 S 8. Sections 1204, 1211 and 1212 of the tax law are REPEALED.

4 S 9. The tax law is amended by adding a new section 1200 to read as  
5 follows:

6 S 1200. CERTAIN TAXES REDUCED. NOTWITHSTANDING THE PROVISIONS OF ANY  
7 OTHER SECTION OF THIS ARTICLE, ON AND AFTER THE EFFECTIVE DATE OF THIS  
8 SECTION, THE PROVISIONS OF THIS ARTICLE RELATING TO TAXES FOR THE BENE-  
9 FIT OF SCHOOL DISTRICTS OR SCHOOL PURPOSES SHALL BE DEEMED REDUCED IN  
10 ACCORDANCE WITH SECTION THIRTY-FIVE HUNDRED FOUR OF THE EDUCATION LAW.

11 S 10. Section 1213 of the tax law, as amended by section 2 of part WW  
12 of chapter 57 of the laws of 2010, is amended to read as follows:

13 S 1213. Deliveries outside the jurisdiction where sale is made. Where  
14 a sale of tangible personal property or services, including prepaid  
15 telephone calling services, but not including other services described  
16 in subdivision (b) of section eleven hundred five of this chapter,  
17 including an agreement therefor, is made in any city[, ] OR county [or  
18 school district], but the property sold, the property upon which the  
19 services were performed or prepaid telephone calling or other service is  
20 or will be delivered to the purchaser elsewhere, such sale shall not be  
21 subject to tax by such city[, ] OR county [or school district]. However,  
22 if delivery occurs or will occur in a city[, ] OR county [or school  
23 district] imposing a tax on the sale or use of such property, prepaid  
24 telephone calling or other services, the vendor shall be required to  
25 collect from the purchaser, as provided in section twelve hundred  
26 fifty-four of this article, the aggregate sales or compensating use  
27 taxes imposed by the city, if any, AND county [and school district] in  
28 which delivery occurs or will occur, for distribution by the commission-  
29 er to such taxing jurisdiction or jurisdictions. For the purposes of  
30 this section delivery shall be deemed to include transfer of possession  
31 to the purchaser and the receiving of the property or of the service,  
32 including prepaid telephone calling service, by the purchaser. Notwith-  
33 standing the foregoing, where a transportation service described in  
34 paragraph ten of subdivision (c) of section eleven hundred five of this  
35 chapter begins in one jurisdiction but ends in another jurisdiction, any  
36 tax imposed pursuant to the authority of this article shall be due the  
37 jurisdiction or jurisdictions where the service commenced.

38 S 11. Section 1220 of the tax law, as amended by section 39 of part Y  
39 of chapter 63 of the laws of 2000, is amended to read as follows:

40 S 1220. Territorial limitations. Any tax imposed under the authority  
41 of this article shall apply only within the territorial limits of the  
42 city[, ] OR county [or school district] imposing the tax, except that  
43 where the taxes described in subdivision (b) of section eleven hundred  
44 five and clauses (E), (G) and (H) of subdivision (a) of section eleven  
45 hundred ten OF THIS CHAPTER or the tax described in subdivision (e) of  
46 section eleven hundred five OF THIS CHAPTER is imposed by a city, as  
47 provided in section twelve hundred ten [or twelve hundred eleven] of  
48 this [chapter] ARTICLE, any establishment located partially within such  
49 city and partially within a town or towns and receiving or using any  
50 services or utilities provided by the city shall be deemed to be wholly  
51 within such city for the purposes of such taxes.

52 S 12. Section 1222 of the tax law, as added by chapter 93 of the laws  
53 of 1965, is amended to read as follows:

54 S 1222. Taxes to be in addition to others. Except as expressly other-  
55 wise provided in this article, any tax imposed under the authority of  
56 this article shall be in addition to any and all other taxes authorized

1 or imposed under any other provision of law. This article shall not be  
2 construed as limiting the power of any city[,] OR county [or school  
3 district] to impose any other tax which it is authorized to impose under  
4 any other provision of law.

5 S 13. Section 1256 of the tax law, as amended by chapter 575 of the  
6 laws of 1965, is amended to read as follows:

7 S 1256. Cooperation by localities. Every city[,] AND county [and  
8 school district] shall cooperate with the [state tax commission] COMMIS-  
9 SIONER to enable [it] HIM OR HER to carry out [its] HIS OR HER duties  
10 under [articles] THIS ARTICLE AND ARTICLE twenty-eight [and twenty-nine]  
11 of this chapter. Every such locality shall furnish to such [commission]  
12 COMMISSIONER those returns, reports and other information which the [tax  
13 commission] COMMISSIONER deems necessary to carry out such duties,  
14 except that cities having a population of one million or more, may, in  
15 their discretion, furnish instead copies of such returns, reports and  
16 other information. Such copies shall be furnished at the [tax commis-  
17 sion's] COMMISSIONER'S expense, such expenses to be charged to the cost  
18 of administration. Notwithstanding any other law to the contrary, the  
19 duty to furnish returns, reports and other information or copies thereof  
20 shall apply to [those returns and reports filed under taxes authorized  
21 under chapter eight hundred seventy-three of the laws of nineteen  
22 hundred thirty-four, as amended, chapter three hundred forty-one of the  
23 laws of nineteen hundred forty-six, as amended, article two-B of the  
24 general city law and chapter two hundred seventy-eight of the laws of  
25 nineteen hundred forty-seven, as amended, and to such other] information  
26 which is relevant to the duties of the [tax commission] COMMISSIONER  
27 under THIS ARTICLE AND such [articles] ARTICLE twenty-eight [and twen-  
28 ty-nine] OR OTHER RELEVANT PROVISIONS OF THIS CHAPTER.

29 S 14. Paragraph 1 of subdivision (g) of section 1132 of the tax law,  
30 as amended by chapter 402 of the laws of 1986, is amended to read as  
31 follows:

32 (1) The clerk of each county when performing the function of registra-  
33 tion of a motor vehicle, snowmobile, vessel or all terrain vehicle or  
34 accepting an application for a certificate of title of a motor vehicle  
35 or vessel, pursuant to the authority of the vehicle and traffic law, or  
36 the commissioner of motor vehicles, when such commissioner performs such  
37 functions, prior to performing such functions, shall act as the agent of  
38 the [state tax commission] COMMISSIONER to collect any retail sales tax  
39 due under this article and under a sales tax imposed pursuant to section  
40 twelve hundred ten [or twelve hundred eleven] OF THIS CHAPTER upon sales  
41 of such motor vehicles, snowmobiles, vessels or all terrain vehicles by  
42 persons other than dealers registered under sections four hundred  
43 fifteen, twenty-two hundred twenty-two, twenty-two hundred fifty-seven  
44 and twenty-two hundred eighty-two of the vehicle and traffic law. Such  
45 county clerks and such commissioner shall also act as such agents to  
46 collect any compensating use tax due under section eleven hundred ten OF  
47 THIS ARTICLE and under a compensating use tax imposed pursuant to  
48 section twelve hundred ten [or twelve hundred eleven] OF THIS CHAPTER  
49 for the use of a motor vehicle, snowmobile, vessel or all terrain vehi-  
50 cle within this state. The commissioner of motor vehicles shall act as  
51 such agent without fee. Each such county clerk shall, after deducting  
52 his OR HER fee as provided in paragraph two of this subdivision, and  
53 such commissioner shall remit to the tax commission all funds collected  
54 pursuant to this subdivision and shall follow such procedures and keep  
55 such records as shall be prescribed by the [tax commission]  
56 COMMISSIONER.

1 S 15. Subparagraph (iii) of paragraph 1 of subdivision (a) of section  
2 1214 of the tax law, as amended by chapter 481 of the laws of 2000, is  
3 amended to read as follows:

4 (iii) is not engaged in carrying on in such jurisdiction any employ-  
5 ment, trade, business or profession in which the motor vehicle or vessel  
6 will be used in such jurisdiction, and such other proof as the commis-  
7 sioner may require to ensure proper administration of the taxes imposed  
8 under the authority of [sections] SECTION twelve hundred ten [and twelve  
9 hundred eleven] of this article.

10 S 16. Section 1217 of the tax law, as added by chapter 962 of the laws  
11 of 1966, subdivision (a) as amended by chapter 169 of the laws of 1970,  
12 is amended to read as follows:

13 S 1217. General transitional provisions. (a) For the purposes of any  
14 local law, ordinance or resolution imposing a local tax pursuant to the  
15 authority of section twelve hundred ten[, twelve hundred eleven, twelve  
16 hundred twelve] or twelve hundred twelve-A OF THIS ARTICLE or increasing  
17 the rate of such tax, all references in section eleven hundred six OF  
18 THIS CHAPTER to August first, nineteen hundred sixty-five shall be read  
19 as referring to the effective date of such local law, ordinance or  
20 resolution, all references in said section to April first, nineteen  
21 hundred sixty-five shall be read as referring to a date four months  
22 prior to the effective date of such local law, ordinance or resolution  
23 and the reference in subdivision (b) of section eleven hundred six OF  
24 THIS CHAPTER to July thirty-first, nineteen hundred sixty-five shall be  
25 read as referring to the day immediately before the effective date of  
26 such local law, ordinance or resolution.

27 (b) In applying the provisions of section eleven hundred nineteen OF  
28 THIS CHAPTER with respect to pre-existing lump sum or unit price  
29 construction contracts to a tax on retail sales of tangible personal  
30 property or a compensating use tax imposed pursuant to the authority of  
31 section twelve hundred ten [or twelve hundred eleven] OF THIS ARTICLE,  
32 all references in said section to the date of the enactment of article  
33 twenty-eight OF THIS CHAPTER or the enactment of a law increasing the  
34 rate of tax imposed under said article shall be read as referring to the  
35 date of the enactment of the local law, ordinance or resolution imposing  
36 such local tax or increasing the rate thereof.

37 S 17. Section 1223 of the tax law, as separately amended by chapters  
38 4, 8 and 9 of the laws of 2003 and subdivision (a) as amended by chapter  
39 74 of the laws of 2010, is amended to read as follows:

40 S 1223. Limitations on rates. (a) No transaction taxable under  
41 sections twelve hundred two [through] AND twelve hundred [four] THREE of  
42 this article shall be taxed pursuant to this article by any county or by  
43 any city located therein, or by both, at an aggregate rate in excess of  
44 the highest rate set forth in the applicable subdivision of section  
45 twelve hundred one of this article or, in the case of any taxes imposed  
46 pursuant to the authority of section twelve hundred ten or twelve  
47 hundred eleven of this article (other than taxes imposed by the county  
48 of Nassau, Erie, Steuben, Cattaraugus, Suffolk, Oneida, Genesee, Greene,  
49 Franklin, Herkimer, Tioga, Orleans, Allegany, Ulster, Albany, Rensse-  
50 laer, Tompkins, Wyoming, Columbia, Schuyler, Rockland, Chenango, Monroe,  
51 Chemung, Seneca, Sullivan, Wayne, Livingston, Schenectady, Montgomery,  
52 Delaware, Clinton, Niagara, Yates, Lewis, Essex, Dutchess, Schoharie,  
53 Putnam, Chautauqua, Orange, Oswego, Ontario, Jefferson or Onondaga and  
54 by the county of Cortland and the city of Cortland and by the county of  
55 Broome and the city of Binghamton and by the county of Cayuga and the  
56 city of Auburn and by the county of Otsego and the city of Oneonta and

1 by the county of Madison and the city of Oneida and by the county of  
2 Fulton and the city of Gloversville or the city of Johnstown as provided  
3 in section twelve hundred ten of this article) at a rate in excess of  
4 three percent, except that, in the city of Yonkers, in the city of Mount  
5 Vernon, in the city of New Rochelle, in the city of Fulton and in the  
6 city of Oswego, the rate may not be in excess of four percent and in the  
7 city of White Plains, the rate may not be in excess of four percent and  
8 except that in the city of Poughkeepsie in the county of Dutchess, if  
9 such county withdraws from the metropolitan commuter transportation  
10 district pursuant to section twelve hundred seventy-nine-b of the public  
11 authorities law and if the revenues from a three-eighths percent rate of  
12 such tax imposed by such county, pursuant to the authority of section  
13 twelve hundred ten of this article, are required by local laws, ordi-  
14 nances or resolutions to be set aside for mass transportation purposes,  
15 the rate may not be in excess of three and three-eighths percent.

16 (b) If a transaction is taxed by both a county and a city, the rate of  
17 tax on such transaction imposed by the county or city, not having prior  
18 right thereto pursuant to section twelve hundred twenty-four OF THIS  
19 SUBPART, shall be deemed to be reduced (or the entire tax eliminated, if  
20 necessary) to the extent necessary to comply with the foregoing require-  
21 ment. A tax imposed by a county upon any transaction, to the extent that  
22 it would require a reduction in any tax rate imposed thereon by a city,  
23 shall not become effective in respect to any transaction taxed by such  
24 city (or in respect of other similar transactions outside of the city  
25 which, if occurring in such city, would be subject to such city tax)  
26 before the commencement of the city's next succeeding fiscal year and  
27 then only if the county shall have given notice to such city of its  
28 imposition of a tax on such transaction at least six months prior to the  
29 commencement of such fiscal year, provided however that the local legis-  
30 lative body of such city may waive the requirement of such notice and  
31 the postponement of the effective date of such tax. A city tax upon any  
32 transaction, to the extent that it would require a reduction in any tax  
33 rate imposed by a county thereon, shall not become effective in respect  
34 of any transaction taxed by such county before the commencement of the  
35 county's next succeeding fiscal year and then only if the city shall  
36 have given notice to such county of its imposition of a tax on such  
37 transaction at least six months prior to the commencement of such fiscal  
38 year, provided, however, that the local legislative body of such county  
39 may waive the requirement of such notice and postponement of the effec-  
40 tive date of such tax. However, whether or not the six months' notice  
41 requirement provided in this section has been waived, a tax imposed  
42 pursuant to the authority of section twelve hundred ten [or twelve  
43 hundred eleven] OF THIS ARTICLE shall still be subject to the require-  
44 ments provided for in the first three sentences of subdivision (d) of  
45 such [sections] SECTION and in subdivision (e) of such [sections]  
46 SECTION.

47 S 18. Paragraph 2 of subdivision (b) of section 1224 of the tax law,  
48 as amended by chapter 506 of the laws of 1976, is amended to read as  
49 follows:

50 (2) all of the taxes described in article twenty-eight as authorized  
51 by subdivision (a) of section twelve hundred ten[, or by section twelve  
52 hundred eleven,] OF THIS ARTICLE to the extent of one-half the maximum  
53 aggregate rates authorized under such subdivision (a) [and such section  
54 twelve hundred eleven], except as otherwise provided in this section.

55 S 19. Subdivision (k) of section 1224 of the tax law, as amended by  
56 chapter 426 of the laws of 1968 and separately relettered by chapters



1 531, 574, 617, 718 and 719 of the laws of 1992, is amended to read as  
2 follows:

3 (k) For purposes of this section, the term "prior right" shall mean  
4 the preferential right to impose any tax described in sections twelve  
5 hundred two [and], twelve hundred three[,], AND twelve hundred ten [and  
6 twelve hundred eleven] OF THIS ARTICLE and thereby to pre-empt such tax  
7 and to preclude another municipal corporation from imposing or continu-  
8 ing the imposition of such tax to the extent that such right is exer-  
9 cised. However, the right of pre-emption shall only apply within the  
10 territorial limits of the taxing jurisdiction having the right of pre-  
11 emption.

12 S 20. Subdivision (a) of section 1235 of the tax law, as amended by  
13 chapter 459 of the laws of 1968, is amended to read as follows:

14 (a) With respect to taxes imposed pursuant to subdivision (a) of  
15 section twelve hundred ten [and pursuant to section twelve hundred elev-  
16 en] OF THIS ARTICLE, the use of tangible personal property purchased at  
17 retail and of any of the services subject to the sales tax shall be  
18 exempt from the compensating use tax authorized under subdivision (a) of  
19 such section twelve hundred ten [and under section twelve hundred elev-  
20 en,] to the extent that a retail sales tax or a compensating use tax was  
21 legally due and paid thereon, without any right to a refund or credit  
22 thereof, to (1) any municipal corporation in this state or (2) any other  
23 state or jurisdiction within any other state, but only when it is shown  
24 that such other state or jurisdiction allows a corresponding exemption  
25 with respect to the sale or use of tangible personal property or of any  
26 of the services upon which such a sale or compensating use tax was paid  
27 to this state and any of its municipal corporations, except as provided  
28 in subdivision (b) of this section.

29 S 21. Section 1240 of the tax law, as added by chapter 93 of the laws  
30 of 1965, is amended to read as follows:

31 S 1240. Administration and collection. The taxes authorized under  
32 sections twelve hundred one through twelve hundred [four] THREE OF THIS  
33 ARTICLE which are now imposed shall continue to be administered and  
34 collected by the fiscal or other officers of the city, county or school  
35 district in the same manner as such taxes have been administered and  
36 collected by such officers immediately prior to the enactment of this  
37 article, in accordance with the applicable provisions of the charter,  
38 administrative code, local law, ordinance or resolution then in force,  
39 with such amendments in respect to administration and collection as may  
40 be enacted. Taxes authorized under sections twelve hundred one through  
41 twelve hundred [four] THREE OF THIS ARTICLE which may hereafter be  
42 imposed by a city, county or school district shall be administered and  
43 collected in such manner as may be provided in its charter, administra-  
44 tive code, local laws, ordinances or resolutions, with such amendments  
45 in respect to administration and collection as may be enacted.

46 S 22. Subdivision (b) of section 1242 of the tax law, as added by  
47 chapter 93 of the laws of 1965, is amended to read as follows:

48 (b) Cities under one million, counties and school districts. Except in  
49 the case of a wilfully false or fraudulent return with intent to evade  
50 the tax, no assessment of additional tax shall be made with respect to  
51 taxes imposed under the authority of sections twelve hundred two  
52 [through] AND twelve hundred [four] THREE OF THIS ARTICLE, after the  
53 expiration of more than three years from the date of the filing of a  
54 return, provided, however, that where no return has been filed as  
55 provided by local law, ordinance or resolution, the tax may be assessed  
56 at any time.

1 S 23. Subdivision (a) of section 1243 of the tax law, as amended by  
2 chapter 808 of the laws of 1992, is amended to read as follows:

3 (a) Any final determination of the amount of any tax payable under  
4 sections twelve hundred one through twelve hundred [four] THREE OF THIS  
5 ARTICLE shall be reviewable for error, illegality or unconstitutionality  
6 or any other reason whatsoever by a proceeding under article seventy-  
7 eight of the civil practice law and rules if application therefor is  
8 made to the supreme court within four months after the giving of the  
9 notice of such final determination, provided, however, that any such  
10 proceeding under article seventy-eight of the civil practice law and  
11 rules shall not be instituted by a taxpayer unless (1) the amount of any  
12 tax sought to be reviewed, with such interest and penalties thereon as  
13 may be provided for by local law, ordinance, resolution or regulation,  
14 shall be first deposited and there is filed an undertaking, issued by a  
15 surety company authorized to transact business in this state and  
16 approved by the superintendent of insurance of this state as to solvency  
17 and responsibility, in such amount as a justice of the supreme court  
18 shall approve to the effect that if such proceeding be dismissed or the  
19 tax confirmed the taxpayer will pay all costs and charges which may  
20 accrue in the prosecution of such proceeding or (2) at the option of the  
21 taxpayer, such undertaking may be in a sum sufficient to cover the  
22 taxes, interest and penalties stated in such determination, plus the  
23 costs and charges which may accrue against such taxpayer in the prose-  
24 cution of the proceeding, in which event the taxpayer shall not be  
25 required to pay such taxes, interest or penalties as a condition prece-  
26 dent to the application.

27 S 24. Section 1250 of the tax law, as amended by chapter 169 of the  
28 laws of 1970, is amended to read as follows:

29 S 1250. Administration and collection. The taxes imposed under the  
30 authority of sections twelve hundred ten[, twelve hundred eleven, twelve  
31 hundred twelve] and twelve hundred twelve-A OF THIS ARTICLE shall be  
32 administered and collected by the [state tax commission] COMMISSIONER in  
33 the same manner as the taxes imposed under article twenty-eight of this  
34 chapter are administered and collected by such commission. All of the  
35 provisions of such article relating to or applicable to the adminis-  
36 tration and collection of the taxes imposed by that article shall apply  
37 to the taxes imposed under the authority of section twelve hundred ten[,  
38 twelve hundred eleven, twelve hundred twelve] or twelve hundred twelve-A  
39 OF THIS ARTICLE, including sections eleven hundred one and eleven  
40 hundred eleven and sections eleven hundred thirty-one through eleven  
41 hundred forty-seven OF THIS CHAPTER, with the same force and effect as  
42 if those provisions had been incorporated in full into this article and  
43 had expressly referred to the taxes imposed under sections twelve  
44 hundred ten [through] AND twelve hundred twelve-A OF THIS ARTICLE,  
45 except to the extent that any provisions of such article twenty-eight  
46 are either inconsistent with a provision of this article or are not  
47 relevant to this article. For purposes of this article, the term "tax"  
48 in part IV of such article twenty-eight shall include any tax imposed  
49 under the authority of section twelve hundred ten[, twelve hundred elev-  
50 en, twelve hundred twelve] or twelve hundred twelve-A OF THIS ARTICLE.  
51 Wherever there is joint collection of state and local taxes, it shall be  
52 deemed that such collections shall represent proportionally the applica-  
53 ble state and local taxes in determining the amount to be remitted to  
54 local taxing jurisdictions.

55 S 25. Subdivision (a) of section 1251 of the tax law, as amended by  
56 chapter 155 of the laws of 1982, is amended to read as follows:

1 (a) Every person required to collect any of the taxes imposed under  
2 the authority of section twelve hundred ten[, twelve hundred eleven,  
3 twelve hundred twelve] or twelve hundred twelve-A OF THIS ARTICLE shall  
4 file a return as required by subdivision (a) of section eleven hundred  
5 thirty-six OF THIS CHAPTER with the [tax commission] COMMISSIONER,  
6 except that return for the quarterly period ending August thirty-first,  
7 nineteen hundred sixty-five shall only cover the month of August, nine-  
8 teen hundred sixty-five. The return of a vendor of tangible personal  
9 property or services shall show his OR HER receipts from sales and also  
10 the aggregate value of tangible personal property and services sold by  
11 him, the use of which is subject to a tax imposed under the authority of  
12 this article and the amount of taxes required to be collected with  
13 respect to such sales and use. The return of a [recipient] RECEIPT of  
14 amusement charges shall show all such charges and the amount of tax  
15 thereon, and the return of an operator required to collect tax on rents  
16 shall show all rents received or charged and the amount of tax thereon.  
17 Every person required to file a part-quarterly return pursuant to subdi-  
18 vision (a) of section eleven hundred thirty-six OF THIS CHAPTER shall  
19 file a return for the same periods for the taxes imposed pursuant to  
20 this article. Provided, however, where a part-quarterly return described  
21 in paragraph [(i)] ONE or [(ii)] TWO of subdivision (a) of section elev-  
22 en hundred thirty-six is filed for purposes of complying with this  
23 section and section eleven hundred thirty-six or subdivision (a) or (b)  
24 of section eleven hundred thirty-seven-A OF THIS CHAPTER, on such  
25 returns separate amounts due for the taxes imposed by each county, city  
26 or school district, pursuant to the authority of section twelve hundred  
27 ten[, twelve hundred eleven, twelve hundred twelve] or twelve hundred  
28 twelve-A OF THIS ARTICLE, need not be shown. Rather, such returns shall  
29 only show the aggregate amount of all such local taxes calculated in the  
30 manner provided for in paragraph [(i)] ONE or [(ii)] TWO of subdivision  
31 (a) of section eleven hundred thirty-six OF THIS CHAPTER except that in  
32 the case of a short-form, part-quarterly return, where a county, city or  
33 school district did not impose a tax in the comparable quarter of the  
34 immediately preceding year, the tax for that locality shall be calcu-  
35 lated on such basis as the [tax commission] COMMISSIONER shall by regu-  
36 lation prescribe.

37 S 26. Subdivision (b) of section 1252 of the tax law, as amended by  
38 chapter 169 of the laws of 1970, is amended to read as follows:

39 (b) The [tax commission] COMMISSIONER, in [its] HIS OR HER discretion,  
40 may require or permit any or all persons liable for any tax or required  
41 to collect any tax authorized under section twelve hundred ten[, twelve  
42 hundred eleven, twelve hundred twelve] or twelve hundred twelve-A OF  
43 THIS ARTICLE to make payment to such banks, banking houses or trust  
44 companies designated by the [tax commission] COMMISSIONER and to file  
45 returns with such banks, banking houses or trust companies, as agent of  
46 the state tax commission, in lieu of paying the taxes imposed under the  
47 authority of section twelve hundred ten[, twelve hundred eleven, twelve  
48 hundred twelve] or twelve hundred twelve-A OF THIS ARTICLE directly to  
49 the state tax commission. However, the [tax commission] COMMISSIONER can  
50 only designate such banks, banking houses and trust companies which are  
51 already designated by the comptroller as depositories pursuant to  
52 section eleven hundred forty-eight of this chapter.

53 S 27. Section 1253 of the tax law, as amended by chapter 169 of the  
54 laws of 1970, is amended to read as follows:

55 S 1253. Registration. Every person required to register pursuant to  
56 section eleven hundred thirty-four OF THIS CHAPTER shall be required to

1 register for purposes of the taxes imposed under the authority of  
2 sections twelve hundred ten[, twelve hundred eleven, twelve hundred  
3 twelve] and twelve hundred twelve-A OF THIS ARTICLE. However, only one  
4 certificate of authority need be issued. Persons who elect to register  
5 under such section eleven hundred thirty-four pursuant to the election  
6 provided therein shall also be required to make a similar election for  
7 purposes of the taxes imposed under the authority of such sections  
8 twelve hundred ten[, twelve hundred eleven, twelve hundred twelve] and  
9 twelve hundred twelve-A, but only one certificate of authority need be  
10 issued.

11 S 28. Subdivisions (a) and (b) of section 1254 of the tax law, as  
12 amended by chapter 169 of the laws of 1970, are amended to read as  
13 follows:

14 (a) Every person required to collect tax, as defined in section eleven  
15 hundred thirty-one OF THIS CHAPTER, who is required to collect any state  
16 tax imposed under sections eleven hundred five, eleven hundred six or  
17 eleven hundred ten OF THIS CHAPTER, shall at the same time collect any  
18 applicable tax imposed by a city, county or school district under the  
19 authority of [sections] SECTION twelve hundred ten[, twelve hundred  
20 eleven, twelve hundred twelve] or twelve hundred twelve-A OF THIS ARTI-  
21 CLE, and where the state tax is a retail sales tax, shall also collect  
22 any compensating use tax which may be applicable as provided in  
23 [sections] SECTION twelve hundred thirteen or twelve hundred fourteen OF  
24 THIS ARTICLE.

25 (b) Where the state of New York, any of its agencies, instrumentali-  
26 ties, public corporations (including a public corporation created pursu-  
27 ant to agreement or compact with another state or Canada) or political  
28 subdivisions sells services or property of a kind ordinarily sold by  
29 private persons it shall be considered a vendor for purposes of the  
30 taxes imposed under the authority of sections twelve hundred ten[,  
31 twelve hundred eleven, twelve hundred twelve] and twelve hundred  
32 twelve-A OF THIS ARTICLE and shall be required to collect the taxes  
33 imposed by cities, counties and school districts under the authority of  
34 such sections.

35 S 29. Subdivisions (a), (b) and (c) of section 1261 of the tax law, as  
36 amended by chapter 84 of the laws of 2000, subdivision (a) as amended by  
37 chapter 182 of the laws of 2005, and subdivision (c) as amended by  
38 section 9 of part SS-1 of chapter 57 of the laws of 2008, are amended to  
39 read as follows:

40 (a) All taxes, penalties and interest imposed by cities, counties or  
41 school districts under the authority of section twelve hundred ten[,  
42 twelve hundred eleven, twelve hundred twelve] or twelve hundred twelve-A  
43 of this article, which are collected by the commissioner, shall be  
44 deposited daily with such responsible banks, banking houses or trust  
45 companies, as may be designated by the state comptroller, to the credit  
46 of the comptroller, in trust for the cities, counties or school  
47 districts imposing the tax or for (i) the Nassau county interim finance  
48 authority or (ii) the Buffalo fiscal stability authority or (iii) the  
49 Erie county fiscal stability authority, created by the public authori-  
50 ties law, (i) to the extent that net collections from taxes imposed by  
51 Nassau county are payable to the Nassau county interim finance authority  
52 or (ii) to the extent that net collections from taxes imposed by Erie  
53 county or by the city of Buffalo are payable to the Buffalo fiscal  
54 stability authority or (iii) to the extent that net collections from  
55 taxes imposed by Erie county are payable to the Erie county fiscal  
56 stability authority, or for any public benefit corporation to which the

1 tax may be payable pursuant to law. Such deposits and deposits received  
2 pursuant to subdivision (b) of section twelve hundred fifty-two of this  
3 article shall be kept in trust and separate and apart from all other  
4 monies in the possession of the comptroller. The comptroller shall  
5 require adequate security from all such depositories of such revenue  
6 collected by the commissioner, including the deposits received pursuant  
7 to subdivision (b) of section twelve hundred fifty-two of this article.  
8 Any amount payable to such authorities pursuant to the public authori-  
9 ties law shall, at the time it is otherwise payable to (i) Nassau coun-  
10 ty, (ii) Erie county or the city of Buffalo, or (iii) Erie county,  
11 respectively, as specified in this section, be paid instead to such  
12 respective authority. Any amount payable to a public benefit corporation  
13 pursuant to law shall, at the time it is otherwise payable to the taxing  
14 jurisdiction as specified in this section, be paid instead to such  
15 public benefit corporation.

16 (b) The comptroller shall retain in the comptroller's hands such  
17 amount as the commissioner may determine to be necessary for refunds in  
18 respect to the taxes imposed by cities, counties and school districts,  
19 under the authority of section twelve hundred ten[, twelve hundred elev-  
20 en, twelve hundred twelve] or twelve hundred twelve-A OF THIS ARTICLE,  
21 and for reasonable costs of the commissioner in administering, collect-  
22 ing and distributing such taxes, out of which the comptroller shall pay  
23 any refunds of such taxes to which taxpayers shall be entitled under the  
24 provisions of this article.

25 (c) (1) The comptroller, after reserving such refund fund and such  
26 costs shall, on or before the twelfth day of each month pay to the  
27 appropriate fiscal officers of the foregoing taxing jurisdictions the  
28 taxes, penalties and interest imposed by such jurisdictions under the  
29 authority of sections twelve hundred ten [through] AND twelve hundred  
30 twelve-A of this article, collected by the commissioner pursuant to this  
31 article during the next preceding calendar month, provided, however,  
32 that the comptroller shall on or before the last day of June and Decem-  
33 ber make a partial payment consisting of the collections made during and  
34 including the first twenty-five days of said months to said fiscal offi-  
35 cers of the foregoing taxing jurisdictions.

36 (2) However, the taxes, penalties and interest from the additional one  
37 percent rate which the city of Yonkers is authorized to impose pursuant  
38 to section twelve hundred ten of this article, after the comptroller has  
39 reserved such refund fund and such cost shall be paid to the special  
40 sales and compensating use tax fund for the city of Yonkers established  
41 by section ninety-two-f of the state finance law at the times set forth  
42 in the preceding sentence.

43 (3) However, the taxes, penalties and interest which (i) the county of  
44 Nassau, (ii) the county of Erie, to the extent the county of Erie is  
45 contractually or statutorily obligated to allocate and apply or pay net  
46 collections to the city of Buffalo and to the extent that such county  
47 has set aside net collections for educational purposes attributable to  
48 the Buffalo school district, or the city of Buffalo or (iii) the county  
49 of Erie is authorized to impose pursuant to section twelve hundred ten  
50 of this article, other than such taxes in the amounts described, respec-  
51 tively, in subdivisions one and two of section [one thousand two] TWELVE  
52 hundred sixty-two-e of this part, during the period that such section  
53 authorizes Nassau county to establish special or local assistance  
54 programs thereunder, together with any penalties and interest related  
55 thereto, and after the comptroller has reserved such refund fund and  
56 such costs, shall, commencing on the next payment date after the effec-

1 tive date of this sentence and of each month thereafter, until such date  
2 as (i) the Nassau county interim finance authority shall have no obli-  
3 gations outstanding, or (ii) the Buffalo fiscal stability authority  
4 shall cease to exist, or (iii) the Erie county fiscal stability authori-  
5 ty shall cease to exist, be paid by the comptroller, respectively, to  
6 (i) the Nassau county interim finance authority to be applied by the  
7 Nassau county interim finance authority, or (ii) to the Buffalo fiscal  
8 stability authority to be applied by the Buffalo fiscal stability  
9 authority, or (iii) to the Erie county fiscal stability authority to be  
10 applied by the Erie county fiscal stability authority, as the case may  
11 be, in the following order of priority: first pursuant to the Nassau  
12 county interim finance authority's contracts with bondholders or the  
13 Buffalo fiscal stability authority's contracts with bondholders or the  
14 Erie county fiscal stability authority's contracts with bondholders,  
15 respectively, then to pay the Nassau county interim finance authority's  
16 operating expenses not otherwise provided for or the Buffalo fiscal  
17 stability authority's operating expenses not otherwise provided for or  
18 the Erie county fiscal stability authority's operating expenses not  
19 otherwise provided for, respectively, and then (i) pursuant to the  
20 Nassau county interim finance authority's agreements with the county of  
21 Nassau, which agreements shall require the Nassau county interim finance  
22 authority to transfer such taxes, penalties and interest remaining after  
23 providing for contractual or other obligations of the Nassau county  
24 interim finance authority, and subject to any agreement between such  
25 authority and the county of Nassau, to the county of Nassau as frequent-  
26 ly as practicable; or (ii) pursuant to the Buffalo fiscal stability  
27 authority's agreements with the city of Buffalo, which agreements shall  
28 require the Buffalo fiscal stability authority to transfer such taxes,  
29 penalties and interest remaining after providing for contractual or  
30 other obligations of the Buffalo fiscal stability authority, and subject  
31 to any agreement between such authority and the city of Buffalo, to the  
32 city of Buffalo or the city of Buffalo school district, as the case may  
33 be, as frequently as practicable; or (iii) pursuant to the Erie county  
34 fiscal stability authority's agreements with the county of Erie, which  
35 agreements shall require the Erie county fiscal stability authority to  
36 transfer such taxes, penalties and interest remaining after providing  
37 for contractual or other obligations of the Erie county fiscal stability  
38 authority, and subject to any agreement between such authority and the  
39 county of Erie, to the county of Erie as frequently as practicable.  
40 During the period that the comptroller is required to make payments to  
41 the Nassau county interim finance authority described in the previous  
42 sentence, the county of Nassau shall have no right, title or interest in  
43 or to such taxes, penalties and interest required to be paid to the  
44 Nassau county interim finance authority, except as provided in such  
45 authority's agreements with the county of Nassau. During the period that  
46 the comptroller is required to make payments to the Buffalo fiscal  
47 stability authority described in the second previous sentence, the city  
48 of Buffalo and such school district shall have no right, title or inter-  
49 est in or to such taxes, penalties and interest required to be paid to  
50 the Buffalo fiscal stability authority, except as provided in such  
51 authority's agreements with the city of Buffalo. During the period that  
52 the comptroller is required to make payments to the Erie county fiscal  
53 stability authority described in the third previous sentence, the county  
54 of Erie shall have no right, title or interest in or to such taxes,  
55 penalties and interest required to be paid to the Erie county fiscal

1 stability authority, except as provided in such authority's agreements  
2 with the county of Erie.

3 (4) The amount so payable shall be certified to the comptroller by the  
4 commissioner or the commissioner's delegate, who shall not be held  
5 liable for any inaccuracy in such certificate. Provided, however, any  
6 such certification may be based on such information as may be available  
7 to the commissioner at the time such certificate must be made under this  
8 section and may be estimated on the basis of percentages or other  
9 indices calculated from distributions for prior periods.

10 (5) However, the comptroller shall withhold from the taxes, penalties  
11 and interest imposed by the city of New York on and after August first,  
12 two thousand eight, and deposit such amounts to the state treasury as  
13 reimbursement for appropriated disbursements made by the New York state  
14 financial control board established by the New York state financial  
15 emergency act for the city of New York and by the state deputy comp-  
16 troller for the city of New York established by section forty-one-a of  
17 the executive law, as the actual, reasonable expenses of that board or  
18 that deputy comptroller, incurred on behalf of the city, for quarterly  
19 periods commencing July first, two thousand eight, and ending on the  
20 date when those expenses are no longer incurred by that board or deputy  
21 comptroller; and the comptroller shall pay those withheld amounts imme-  
22 diately into the miscellaneous special revenue fund financial control  
23 board account 339-15 and the miscellaneous special revenue fund finan-  
24 cial oversight account 339-DI of the state. During the period that the  
25 comptroller is required to withhold amounts and make payments described  
26 in this paragraph, the city of New York has no right, title or interest  
27 in or to those taxes, penalties and interest required to be paid into  
28 the above referenced miscellaneous special revenue funds.

29 (6) Where the amount so paid over to any city, county, school district  
30 or the special sales and compensating use tax fund for the city of Yonk-  
31 ers in any such distribution or to any such authority is more or less  
32 than the amount then due to such city, county, school district or such  
33 fund or to such authority, the amount of the overpayment or underpayment  
34 shall be certified to the comptroller by the commissioner or the commis-  
35 sioner's delegate, who shall not be held liable for any inaccuracy in  
36 such certificate. The amount of the overpayment or underpayment shall be  
37 so certified to the comptroller as soon after the discovery of the over-  
38 payment or underpayment as reasonably possible and subsequent payments  
39 and distributions by the comptroller to such city, county, school  
40 district or the special sales and compensating use tax fund for the city  
41 of Yonkers or to such authority shall be adjusted by subtracting the  
42 amount of any such overpayment from or by adding the amount of any such  
43 underpayment to such number of subsequent payments and distributions as  
44 the comptroller and the commissioner shall consider reasonable in view  
45 of the amount of the overpayment or underpayment and all other facts and  
46 circumstances.

47 S 30. Subdivision (e) of section 1261 of the tax law is REPEALED.

48 S 31. Subdivision (e) of section 1262 of the tax law is REPEALED.

49 S 32. Subdivision 2 of section 302 of the real property tax law, as  
50 amended by chapter 755 of the laws of 1962, is amended to read as  
51 follows:

52 2. The taxable status date of real property assessed for school  
53 district and village purposes shall be determined in accordance with  
54 [sections thirteen hundred two and] ARTICLE SEVENTY-ONE OF THE EDUCATION  
55 LAW AND SECTION fourteen hundred of this chapter, respectively. The date  
56 of taxable status of the real property contained on any village assess-

1 ment roll shall be imprinted or otherwise indicated at the top of the  
2 first page of each volume of such roll.

3 S 33. Subdivision 2 of section 1909 of the education law, as added by  
4 section 3 of part C of chapter 58 of the laws of 1998, is amended to  
5 read as follows:

6 2. Any state aid representing tax savings duly provided by a component  
7 school district of the central high school district [pursuant to section  
8 thirteen hundred six-a of the real property tax law] for taxes levied to  
9 fund expenditures of the central high school district shall be claimed  
10 by such component school district [pursuant to subdivision three of  
11 section thirteen hundred six-a of the real property tax law,] and any  
12 resulting payment of state aid to the component school district based on  
13 such tax savings shall be paid by the component school district, within  
14 ten days after receipt of such payment, over to the treasurer of such  
15 central high school district in an amount equal to the product of the  
16 total payment received by such component school district for all tax  
17 savings [provided pursuant to section thirteen hundred six-a of the real  
18 property tax law] multiplied by the quotient of the tax savings provided  
19 for taxes levied to fund expenditures of the central high school  
20 district divided by the total tax savings duly provided by such compo-  
21 nent school district [pursuant to section thirteen hundred six-a of the  
22 real property law].

23 S 34. Section 3601 of the education law, as amended by section 4-a of  
24 part A-1 of chapter 58 of the laws of 2006, is amended to read as  
25 follows:

26 S 3601. When apportioned and how applied. The amount annually appro-  
27 priated by the legislature for general support for public schools, net  
28 of disallowances, refunds, reimbursements and credits, shall be appor-  
29 tioned by the commissioner each year prior to the dates of the respec-  
30 tive final payments provided by law and all moneys so apportioned shall  
31 be applied exclusively to school purposes authorized by law. General  
32 state aid claims, on forms prescribed by the commissioner, shall be  
33 submitted to the commissioner by September second of each school year,  
34 except that the audit report required by subdivision three of section  
35 twenty-one hundred sixteen-a of this chapter shall be submitted to the  
36 commissioner by October fifteenth following the close of the school year  
37 audited for all districts other than the city school districts of the  
38 cities of Buffalo, Rochester, Syracuse, Yonkers and New York and by  
39 January first following the close of the school year audited for such  
40 city school districts. No aid shall be paid to a school district or  
41 board of cooperative educational services prior to the submission of  
42 claims as required by the commissioner, except that no aid certified as  
43 payable to a school district by the state board of real property  
44 services [pursuant to paragraph (c) of subdivision three of section  
45 thirteen hundred six-a of the real property tax law] shall be withheld  
46 due to the failure of the school district to submit general state aid  
47 claims required by the commissioner, and except that no aids shall be  
48 withheld due to the failure of a school district to submit the audit  
49 report required by subdivision three of section twenty-one hundred  
50 sixteen-a of this chapter until the thirtieth day following the due date  
51 specified in this section for such report.

52 S 35. Paragraph y of subdivision 1 of section 3602 of the education  
53 law, as added by section 11 of part B of chapter 57 of the laws of 2007,  
54 is amended to read as follows:

55 y. "School tax relief aid" shall mean state aid payable to a school  
56 district representing tax savings duly provided by the school district



[pursuant to section thirteen hundred six-a of the real property tax law] that is claimed by the school district and certified by the state board of real property services [pursuant to subdivision three of section thirteen hundred six-a of the real property tax law].

S 36. Paragraph (j) and subparagraph (iv) of paragraph (k) of subdivision 2 of section 425 of the real property tax law, paragraph (j) of subdivision 2 as amended by section 1 of part A of chapter 405 of the laws of 1999, subparagraph (iv) of paragraph (k) of subdivision 2 as added by section 1-a of part E of chapter 83 of the laws of 2002 and redesignated by chapter 355 of the laws of 2003, are amended to read as follows:

(j) Certain city school districts. The state board shall adjust the exempt amount for each city containing a school district which is subject to article fifty-two of the education law, to account for the fact that the school district is fiscally dependent upon the city. This adjustment shall be made by multiplying the exempt amount that would otherwise be determined for the city by sixty-seven percent, or, in the case of a city with a population of one million or more, by fifty percent. The exempt amount resulting from this calculation shall be applied both to the assessed value for city school district purposes and to the assessed value for general city purposes, and state aid shall be payable on the combined tax savings [in the manner provided by section thirteen hundred six-a of this chapter].

(iv) Notwithstanding the provisions of subparagraph (ii) of this paragraph, when a cooperative apartment corporation is incorporated as a mutual company pursuant to the private housing finance law, and the granting of an exemption pursuant to this section would not inure to the benefit of eligible tenant-stockholders because the real property of such corporation is subject to an exemption from taxation pursuant to section thirty-three, ninety-three, one hundred twenty-five or five hundred fifty-six of the private housing finance law, an alternative benefit shall be provided to such corporation and passed through to eligible tenant-stockholders in the manner provided by this subdivision. Such alternative benefit shall consist of a reduction in the real property taxes or payments in lieu of taxes that would otherwise be payable on account of such real property. The total amount of such reduction shall be the sum of the "STAR savings" for all of the cooperative apartment units that are occupied by one or more eligible tenant-stockholders. The STAR savings for each such unit shall be equal to one-third of the exempt amount determined pursuant to paragraph (a) of this subdivision for purposes of the basic or enhanced exemption, as the case may be, multiplied by the applicable school tax rate, or in the case of a school district described in paragraph (j) of this subdivision, by the applicable city tax rate. Provided, however, in no case shall the STAR savings for any individual unit exceed the amount payable by or chargeable to the unit on account of real property taxes or payments in lieu of taxes. The STAR savings so determined for each unit shall be credited by the cooperative apartment corporation against the real property taxes or payments in lieu of taxes otherwise payable by or chargeable to the eligible tenant-stockholders. The total of the alternative benefits provided pursuant to this subparagraph shall be a state charge which shall be payable in the same manner that school districts are compensated [pursuant to section thirteen hundred six-a of this chapter] for tax savings attributable to exemptions granted pursuant to this section.

1 S 37. Subdivisions 1 and 2 of section 1216 of the real property tax  
2 law, as added by chapter 800 of the laws of 1967, are amended to read as  
3 follows:

4 1. Where a supplemental assessment roll has been completed, verified  
5 and filed [pursuant to section thirteen hundred thirty-five of this  
6 chapter] AS PER THE REQUEST OF THE SCHOOL AUTHORITIES OF A SCHOOL  
7 DISTRICT, the state board shall determine an equalization rate for such  
8 supplemental assessment roll in the manner provided in this article for  
9 determining equalization rates for towns. The equalization rate so  
10 determined for the supplemental assessment roll shall be used in comput-  
11 ing the taxable full valuation of real property on the supplemental  
12 assessment roll for all school district purposes except as otherwise  
13 provided [in section thirteen hundred fourteen] BY OTHER PROVISIONS of  
14 this chapter.

15 2. The full valuation of taxable property for school district purposes  
16 for a fiscal year of a school district in which SUCH supplemental  
17 assessment rolls were completed, verified and filed [pursuant to section  
18 thirteen hundred thirty-five of this chapter] for such fiscal year,  
19 shall be the simple average of the full valuation of taxable property on  
20 the regular and supplemental assessment rolls of such school district  
21 for such fiscal year, provided however, that such supplemental assess-  
22 ment rolls shall not be used in determining limitations on indebtedness  
23 pursuant to the local finance law. Such full valuation shall be computed  
24 for each roll by dividing the taxable assessed valuation on each such  
25 roll by the state equalization rate established for each such roll.

26 S 38. Subdivision 1 of section 1226 of the real property tax law, as  
27 added by chapter 280 of the laws of 1985, is amended to read as follows:

28 1. If the state board finds that there has been a material change in  
29 level of assessment in a town or city since the last state equalization  
30 rate was established, it shall determine and certify a special equaliza-  
31 tion rate for tax apportionment purposes to the district superintendent  
32 of schools for use in the apportionment of school taxes [as provided in  
33 section thirteen hundred fourteen of this chapter].

34 S 39. Paragraph (a) of subdivision 2 of section 1227 of the real prop-  
35 erty tax law, as added by chapter 87 of the laws of 2001, is amended to  
36 read as follows:

37 (a) When a nuclear powered electric generating facility is exempt from  
38 taxation for school district purposes pursuant to section four hundred  
39 eighty-five of this chapter, but it is not exempt for all purposes, the  
40 state board shall establish a special apportionment rate for the assess-  
41 ing unit containing the facility, which rate shall be used for purposes  
42 of apportioning school district taxes to that assessing unit [pursuant  
43 to section thirteen hundred fourteen of this chapter,] subject to the  
44 provisions of paragraph (b) of this subdivision. Provided, however,  
45 that no such rate shall be established unless it would result in a  
46 change of two percent or more in the share of the school district levy  
47 allocated to at least one school district segment, or where applicable  
48 in the share of the non-homestead class levy allocated to at least one  
49 portion.

50 S 40. Subdivision 1 and paragraph (a) and the opening paragraph of  
51 paragraph (d) of subdivision 7 of section 1316 of the real property tax  
52 law, as added by chapter 556 of the laws of 2002, are amended to read as  
53 follows:

54 1. Notwithstanding the provisions of [section thirteen hundred four-  
55 teen of this] article SEVENTY-ONE OF THE EDUCATION LAW, a school  
56 district located in more than one city or town, which includes a desig-

1 nated large property, as determined by the state board, may provide by  
2 annual resolution, adopted no later than ten days prior to the last day  
3 provided by law for the levy of school taxes, that school taxes to be  
4 levied for the fiscal year commencing July first of the same year shall  
5 be apportioned to each city or town or part thereof in accordance with  
6 the provisions set forth in this section.

7 (a) The tax shall be apportioned in accordance with the provisions of  
8 [section thirteen hundred fourteen of this] article SEVENTY-ONE OF THE  
9 EDUCATION LAW.

10 The resulting tax levy from paragraph (c) of this subdivision shall be  
11 reapportioned among all other property within the taxing jurisdiction,  
12 exclusive of the designated large property. This reapportionment shall  
13 be done in accordance with [section thirteen hundred fourteen of this]  
14 THE PROVISIONS OF article SEVENTY-ONE OF THE EDUCATION LAW, except that:

15 S 41. Paragraphs (a) and (f) of subdivision 4 of section 1903-a of the  
16 real property tax law, as amended by chapter 47 of the laws of 1991, are  
17 amended to read as follows:

18 (a) Equalization by class. The tax authorities shall determine for the  
19 homestead and non-homestead classes, respectively, the total full valu-  
20 ation and total taxable full valuation of the real property subject to  
21 taxation for district purposes in each city or town or part thereof  
22 included within the tax district. The total full valuation of a class in  
23 a city or town or part thereof shall be computed by dividing the total  
24 assessed value of the property in the class by the state equalization  
25 rate or special equalization rate [prescribed in section thirteen  
26 hundred fourteen of this chapter]. The total taxable full valuation of a  
27 class in a city or town or part thereof shall be computed by dividing  
28 the total taxable assessed value of the property in the class by the  
29 state equalization rate or special equalization rate [prescribed in  
30 section thirteen hundred fourteen of this chapter].

31 (f) Correction and review. The equalization and apportionment required  
32 by this subdivision shall be subject to correction and review to the  
33 extent practicable [as provided in section thirteen hundred fourteen of  
34 this chapter].

35 S 42. Subdivision 2 of section 954 of the real property tax law, as  
36 added by chapter 440 of the laws of 1989, is amended to read as follows:

37 2. Notwithstanding the provisions of section nine hundred twenty-two[,  
38 thirteen hundred twenty-two, thirteen hundred twenty-four] or fourteen  
39 hundred thirty of this chapter, upon agreement between a collecting  
40 officer and a mortgage investing institution, the mortgage investing  
41 institution or its agent shall, no later than thirty days prior to the  
42 last date established by law for the annexation of the warrant to the  
43 assessment roll, present to the collecting officer a list in any mutual-  
44 ly agreeable format of the real property tax escrow accounts with  
45 respect to which the mortgage investing institution or its agent has  
46 been authorized by the mortgagor to receive tax bills. If the collecting  
47 officer and mortgage investing institution agree, a list of additions  
48 and deletions to the last such list so delivered may be presented  
49 instead.

50 S 43. Subdivision 2 of section 544 of the real property tax law is  
51 amended to read as follows:

52 2. No penalties, interest or fees of any kind, except fees payable to  
53 school district collecting officers [pursuant to subdivision one of  
54 section thirteen hundred twenty-eight of this chapter] on school taxes  
55 on lands outside the forest preserve, shall be added to taxes payable by  
56 the state pursuant to the provisions of this section.

1 S 44. Subdivision 2 of section 558 of the real property tax law, as  
2 amended by chapter 529 of the laws of 1990, is amended to read as  
3 follows:

4 2. The county legislature of any county shall direct the cancellation  
5 of any unpaid school tax relieved by such county [pursuant to subdivi-  
6 sion five of section thirteen hundred thirty or subdivision five of  
7 section thirteen hundred thirty-two of this chapter,] or any unpaid  
8 village tax relieved by such county pursuant to subdivision four of  
9 section fourteen hundred forty-two of this chapter, against property of  
10 the state or the United States where it is determined that the lien of  
11 such tax cannot be enforced, or where the lien of such tax is rendered  
12 permanently unenforceable by operation of the provisions of any statute.  
13 The amount of any tax so cancelled shall be charged against the school  
14 district or village which levied such tax. The amount so charged against  
15 a school district or village shall be withheld by the county treasurer  
16 from any moneys which shall become payable by him to such school  
17 district or village by reason of taxes which shall thereafter be  
18 returned to him as uncollected by such school district or village. No  
19 such cancellation of any unpaid school taxes or no such charge shall be  
20 made by the county legislature against any such school district or  
21 village unless ten days' notice thereof by mail shall be given to the  
22 school authorities thereof.

23 S 45. Subdivision 1-b of section 3651 of the education law, as added  
24 by section 73 of part A of chapter 436 of the laws of 1997, is amended  
25 to read as follows:

26 1-b. Notwithstanding the provisions of subdivision one of this  
27 section, where the city or county is not required to pay to the treasur-  
28 er of a city school district unpaid taxes during the fiscal year for  
29 which such real property taxes are levied, the board of education of  
30 such city school district may establish a reserve for uncollected taxes  
31 without approval of the qualified voters of the school district,  
32 provided that the ratio of the amount of such reserve to the total prin-  
33 cipal amount of the district's tax levy for such fiscal year shall not  
34 be less than the ratio of the principal amount of the school district  
35 taxes as levied by the school district for the last completed fiscal  
36 year but not received by the district before the end of such fiscal year  
37 to the total principal amount of the tax levy for such last completed  
38 fiscal year. If the city or county is not required to pay to the treas-  
39 urer of a city school district unpaid taxes [pursuant to section thir-  
40 teen hundred thirty-two of the real property tax law], the board of  
41 education of the city school district shall establish a reserve pursuant  
42 to this subdivision, provided that such reserve shall not be less than  
43 the amount of taxes for the fiscal year for which such budget is being  
44 prepared which are estimated to be unpaid during such fiscal year [under  
45 the aforesaid provisions of the real property tax law].

46 S 46. Paragraph e of subdivision 7 of section 545 of the real property  
47 tax law, as amended by chapter 800 of the laws of 1967, is amended to  
48 read as follows:

49 e. "Latest preceding assessment roll" means the last preceding assess-  
50 ment roll finally completed, verified and filed prior to the final  
51 completion of the assessment roll for which the transition assessment is  
52 being established, but shall not mean or include a supplemental assess-  
53 ment roll completed, verified and filed as [provided in section thirteen  
54 hundred thirty-five of this chapter] PER THE REQUEST OF THE SCHOOL  
55 AUTHORITIES OF A SCHOOL DISTRICT.

1 S 47. Subdivisions 1 and 3 of section 972 of the real property tax  
2 law, as amended by section 12 of part B of chapter 389 of the laws of  
3 1997, are amended to read as follows:

4 1. Adoption. Notwithstanding any provisions of this chapter, or any  
5 other general, special or local law to the contrary, the legislative  
6 body of a county may, by local law, provide that thereafter and until  
7 such local law is repealed, the county shall become the tax collection  
8 agency for the purpose of collecting taxes in installments as prescribed  
9 by this title [and by sections thirteen hundred thirty-six through thir-  
10 teen hundred forty-two of this chapter]. The term "taxes" as used in  
11 this title shall include special assessments which are levied by the  
12 county legislative body at the time and in the manner provided by law  
13 for the levy of county and town taxes.

14 3. Interest. (a) Each installment other than the first shall be  
15 subject to interest at the rate determined pursuant to section nine  
16 hundred twenty-four-a of this article, or such other law as may be  
17 locally applicable, up to and including the date on which it is to be  
18 paid. Such interest shall be amortized over all scheduled payments,  
19 unless the local law provides for unequal installments, in which case  
20 interest shall be calculated and imposed separately upon each install-  
21 ment.

22 (b) If an installment is not paid on or before the date it is due,  
23 additional interest shall be added as provided by section nine hundred  
24 seventy-five [or section thirteen hundred forty] of this [chapter] ARTI-  
25 CLE.

26 (c) The amount of any interest which shall be added to any installment  
27 pursuant to this section and section nine hundred seventy-five [or  
28 section thirteen hundred forty] of this [chapter] ARTICLE shall belong  
29 to the county.

30 S 48. In order to provide for continuity of funding to school  
31 districts, fifty percent of the school taxes due on July first in the  
32 year preceding the effective date of this act shall be paid as hereto-  
33 fore required by law.

34 S 49. This act shall take effect on the first of January next succeed-  
35 ing the date on which it shall have become a law, provided, however,  
36 that sections two, four, five, six, eight and ten through forty-seven of  
37 this act shall take effect on the first of January in the fifth year  
38 next succeeding such effective date.