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

5012

2011-2012 Regular Sessions

I N A S S E M B L Y

February 10, 2011

Introduced by M. of A. HAYES, FINCH -- Multi-Sponsored by -- M. of A. HAWLEY -- read once and referred to the Committee on Ways and Means

AN ACT in relation to eliminating the collection of sales and compensating use taxes on personal income tax forms; and to repeal part R3 of chapter 62 of the laws of 2003 relating to directing the commissioner of taxation and finance to take certain actions to provide for the payment and collection of the compensating use tax imposed by article 28 of the tax law relating thereto

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

Section 1. Legislative intent. The legislature hereby finds, declares and determines that New York state has no effective means of monitoring taxpayers' out-of-state purchases and collecting the sales and compensating use taxes on such purchases. The legislature also determines that sales and compensating use tax should not be calculated on personal income tax forms. Accordingly, it is the legislature's intent that such tax not be calculated on such forms and that any references related thereto be removed.

S 2. Part R3 of chapter 62 of the laws of 2003 relating to directing the commissioner of taxation and finance to take certain actions to provide for the payment and collection of the compensating use tax imposed by article 28 of the tax law is REPEALED.

S 3. Notwithstanding any provision of law, rule or regulation to the contrary, the commissioner of taxation and finance shall delete new lines inserted pursuant to part R3 of chapter 62 of the laws of 2003 in such personal income tax forms and other tax forms as the commissioner deemed appropriate pursuant to such part to report unpaid compensating use tax imposed pursuant to articles 28 and 29 of the tax law. Further, the commissioner shall take other steps necessary to remove references and measures taken by the commissioner pursuant to such part informing taxpayers to remit such compensating use taxes when they make purchases outside the state whether in person or by remote means such as the internet, mail-order and catalog sales.

S 4. This act shall take effect immediately.

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

LBD08725-01-1