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

6997

2011-2012 Regular Sessions

I N A S S E M B L Y

April 7, 2011

Introduced by M. of A. PERRY -- Multi-Sponsored by -- M. of A. GIBSON -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to establishing the taxpayer refund choice act and affirming the right of state residents to receive personal income tax refunds in the manner in which they choose and requiring the department of taxation and finance to fully describe any debit card or direct deposit program

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

Section 1. This act shall be known and may be cited as the "taxpayer refund choice act".

S 2. The tax law is amended by adding a new section 3013 to read as follows:

S 3013. METHOD OF PAYMENT OF PERSONAL INCOME TAX REFUNDS; NOTICE. (A) NOTWITHSTANDING THE ADOPTION BY THE COMMISSIONER OF ANY PREPAID DEBIT CARD OR DIRECT DEPOSIT PROGRAM FOR PAYMENT OF PERSONAL INCOME TAX REFUNDS, ALL TAXPAYERS ARE ENTITLED:

(1) TO CHOOSE THE MEANS OF PAYMENT OF PERSONAL INCOME TAX REFUNDS, INCLUDING THE RIGHT TO RECEIVE A PAPER CHECK; AND

(2) TO OPT OUT OF ANY PREPAID DEBIT CARD OR DIRECT DEPOSIT PROGRAM FOR PAYMENT OF TAX REFUNDS.

(B) THE DEPARTMENT SHALL PROVIDE TAXPAYERS WITH A CLEAR WRITTEN STATEMENT SETTING FORTH THE TAXPAYER'S RIGHT:

(1) TO CHOOSE THE MEANS BY WHICH THE TAXPAYER MAY RECEIVE TAX REFUND PAYMENTS, INCLUDING THE RIGHT TO RECEIVE A PAPER CHECK; AND

(2) TO OPT OUT OF ANY PREPAID DEBIT CARD OR DIRECT DEPOSIT PROGRAM.

(C) IN THE EVENT THAT THE COMMISSIONER ELECTS TO IMPLEMENT A PROGRAM PROVIDING FOR PAYMENT OF PERSONAL INCOME TAX REFUNDS BY PREPAID DEBIT CARD OR DIRECT DEPOSIT TO A DESIGNATED ACCOUNT OF THE TAXPAYER, THE DEPARTMENT SHALL AMEND THE FORMS USED TO FILE PERSONAL INCOME TAX RETURNS TO REFLECT, IN THE AREA DESIGNATED FOR SELECTION OF OPTIONS FOR

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

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PROCESSING OF REFUNDS, THAT THE TAXPAYER HAS THE OPTION OF RECEIVING HIS OR HER TAX REFUND BY PERSONAL CHECK AND SHALL PROVIDE A BOX WHICH THE TAXPAYER MAY CHECK TO SELECT THAT OPTION.

(D) IN ANY WRITTEN NOTICE REGARDING A PREPAID DEBIT CARD OR DIRECT DEPOSIT PROGRAM FOR THE PAYMENT OF TAX REFUNDS, THE DEPARTMENT SHALL DESCRIBE TO TAXPAYERS ALL OF THE FEATURES OF THE DIRECT DEPOSIT OR DEBIT CARD PROGRAM (E.G., WITHDRAWAL AT ANY ATM OR POINT-OF-SALE USE), INCLUDING ANY FEE OR FEES WHICH MAY BE CHARGED TO THE TAXPAYER IN ACCESSING HIS OR HER TAX REFUND.

S 3. This act shall take effect on the ninetieth day after it shall have become a law.