

4682

2011-2012 Regular Sessions

I N S E N A T E

April 14, 2011

Introduced by Sen. FLANAGAN -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to unclaimed and abandoned prize money

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

1 Section 1. Section 1614 of the tax law, as amended by chapter 166 of
2 the laws of 1991 and subdivision a as amended by chapter 170 of the laws
3 of 1994, is amended to read as follows:
4 S 1614. Unclaimed and abandoned prize money. a. No prize claim shall
5 be valid if submitted to the division following the expiration of a
6 one-year time period from the date of the drawing or from the close of
7 the game in which a prize was won, and the person otherwise entitled to
8 such prize shall forfeit any claim or entitlement to such prize moneys.
9 [Unclaimed prize money, plus interest earned thereon, shall be retained
10 in the lottery prize account to be used for payment of special lotto or
11 supplemental lotto prizes offered pursuant to the plan or plans speci-
12 fied in this article, or for promotional purposes to supplement other
13 games on an occasional basis not to exceed sixteen weeks within any
14 twelve month period pursuant to the plan or plans specified in this
15 article.
16 In the event that the director proposes to change any plan for the use
17 of unclaimed prize funds or in the event the director intends to use
18 funds in a game other than the game from which such unclaimed prize
19 funds were derived, the director of the budget, the chairperson of the
20 senate finance committee, and the chairperson of the assembly ways and
21 means committee shall be notified in writing separately detailing the
22 proposed changes to any plan prior to the implementation of the chang-
23 es.]

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

LBD10814-01-1

1 b. UNCLAIMED PRIZE MONEY FOR THE PRIZE ON A WINNING TICKET SHALL BE
2 RETAINED BY THE DIVISION FOR PAYMENT TO THE PERSON ENTITLED THERETO FOR
3 NOT LESS THAN SIX MONTHS AFTER THE DRAWING OR AFTER THE CLOSE OF THE
4 GAME IN WHICH THE PRIZE WAS WON. IF NO CLAIM IS MADE FOR THE PRIZE WITH-
5 IN SIX MONTHS FROM THE DATE OF THE DRAWING OR FROM THE CLOSE OF THE
6 GAME, AN AMOUNT EQUIVALENT TO THE PRIZE AMOUNT SHALL BE USED TO PROVIDE
7 ADDITIONAL MONEYS TO THE STATE LOTTERY FUND FOR THE PURPOSE OF PROVIDING
8 AID TO PUPILS (WITH SPECIAL EDUCATIONAL NEEDS AND WITH HANDICAPPING
9 CONDITIONS) AS SET FORTH IN ITEM (II) OF SUBDIVISION THREE OF SECTION
10 NINETY-TWO-C OF THE STATE FINANCE LAW.

11 C. IN THE EVENT THAT A VALID PRIZE CLAIM IS SUBMITTED TO THE DIVISION
12 MORE THAN SIX MONTHS BUT LESS THAN ONE YEAR FROM THE DATE OF THE DRAWING
13 OR FROM THE CLOSE OF THE GAME IN WHICH THE PRIZE WAS WON, THE DIVISION
14 SHALL PAY SUCH CLAIM NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION B OF
15 THIS SECTION. IF, AT THE TIME SUCH CLAIM IS PAID, AN AMOUNT EQUIVALENT
16 TO THE PRIZE AMOUNT HAS ALREADY BEEN TRANSFERRED TO THE STATE LOTTERY
17 FUND IN ACCORDANCE WITH SUBDIVISION B OF THIS SECTION, THEN SUCH CLAIM
18 SHALL BE PAID FROM SUCH FUNDS AS ARE THEN AVAILABLE IN THE LOTTERY PRIZE
19 ACCOUNT AND A LIKE AMOUNT SHALL BE DEDUCTED FROM ANY SUBSEQUENT TRANSFER
20 TO THE STATE LOTTERY FUND PURSUANT TO THIS SECTION.

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

29 S 2. This act shall take effect immediately.