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

5761

2011-2012 Regular Sessions

I N S E N A T E

June 14, 2011

Introduced by COMMITTEE ON RULES -- 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 increasing the presumed "cost of the agent" relating to cigarette marketing standards

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

Section 1. Subparagraph (B) of paragraph 1 of subdivision (b) of section 483 of the tax law, as amended by chapter 1 of the laws of 1999, is amended to read as follows:

(B) In the absence of the filing with the commissioner of satisfactory proof of a lesser cost of doing business of the agent making the sale, the cost of doing business by the agent shall be presumed to be seven-eighths of one percent of the basic cost of cigarettes for sales to wholesale dealers plus [one cent] SEVEN CENTS per package of ten cigarettes, [two] FOURTEEN cents per package of twenty cigarettes and in the case of a package containing more than twenty cigarettes, [two] FOURTEEN cents and one-half of a cent for each five cigarettes in excess of twenty cigarettes, one and one-half percent of the basic cost of cigarettes for sales to chain stores plus [one cent] SEVEN CENTS per package of ten cigarettes, [two] FOURTEEN cents per package of twenty cigarettes and in the case of a package containing more than twenty cigarettes, [two] FOURTEEN cents and one-half of a cent for each five cigarettes in excess of twenty cigarettes and three and seven-eighths percent of the basic cost of cigarettes with respect to sales to retail dealers plus [one cent] SEVEN CENTS per package of ten cigarettes, [two] FOURTEEN cents per package of twenty cigarettes and in the case of a package containing more than twenty cigarettes, [two] FOURTEEN cents and one-half of a cent for each five cigarettes in excess of twenty cigarettes and the foregoing cents per pack shall be included in the "cost of doing business by the agent" referred to in paragraphs two and three of this subdivision.

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

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S 2. Subparagraph (B) of paragraph 2 of subdivision (b) of section 483 of the tax law, as amended by chapter 4 of the laws of 1988, is amended to read as follows:

(B) In the absence of the filing with the [tax commission] COMMISSIONER of satisfactory proof of a lesser cost of doing business of the wholesale dealer making the sale, the cost of doing business by the wholesale dealer with respect to sales to retail dealers shall be presumed to be [three per centum] TWO AND EIGHTY-EIGHT ONE HUNDREDTHS PERCENT of the basic cost of cigarettes, and with respect to sales to chain stores, [five-eighths of one percent] SIXTH-TENTHS OF ONE PERCENT of the basic cost of cigarettes.

S 3. This act shall take effect July 1, 2011; provided, however, that if this act shall not have become a law on or before July 1, 2011, then this act shall take effect immediately and shall be deemed to have been in full force and effect on and after July 1, 2011.