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

4837

2011-2012 Regular Sessions

I N S E N A T E

April 27, 2011

Introduced by Sen. AVELLA -- 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 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. 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 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 2. This act shall take effect on the ninetieth day after it shall have become a law.

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

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