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I N   A S S E M B L Y

April 4, 2014

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Introduced by M. of A. PEOPLES-STOKES, JAFFEE, SEPULVEDA, ORTIZ, RYAN,  
SALADINO -- Multi-Sponsored by -- M. of A. SOLAGES -- read once and  
referred to the Committee on Ways and Means

AN ACT to amend the tax law and the state finance law, in relation to  
the stock transfer tax and to creating the statewide pre-k fund

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

1     Section 1. Subdivision 1 of section 280-a of the tax law, as amended  
2     by chapter 578 of the laws of 1981, is amended to read as follows:  
3     1. Except as otherwise provided in subdivision fifteen of this  
4     section, where a tax shall have been paid under this article a portion  
5     of the amount paid shall be allowed as a rebate and such portion shall  
6     be paid to the taxpayer but only to the extent that moneys are available  
7     for the payment of such rebates in the stock transfer incentive fund  
8     established pursuant to section ninety-two-i of the state finance law.  
9     The portion of the amount of tax paid which is to be allowed as a rebate  
10    shall be thirty percent of the tax incurred and paid on transactions  
11    subject to the stock transfer tax occurring on and after October first,  
12    nineteen hundred seventy-nine and on or before September thirtieth,  
13    nineteen hundred eighty and sixty percent of the tax incurred and paid  
14    on such transactions occurring on and after October first, nineteen  
15    hundred eighty and on or before September thirtieth, nineteen hundred  
16    eighty-one and all of the amount of tax incurred and paid shall be  
17    allowed as a rebate on transactions subject to the stock transfer tax  
18    occurring on and after October first, nineteen hundred eighty-one AND ON  
19    OR BEFORE SEPTEMBER THIRTIETH, TWO THOUSAND FOURTEEN, AND THIRTY PERCENT  
20    OF THE TAX INCURRED AND PAID SHALL BE ALLOWED AS A REBATE ON SUCH TRANS-  
21    ACTIONS OCCURRING ON AND AFTER OCTOBER FIRST, TWO THOUSAND FOURTEEN.  
22    S 2. Subdivisions 3 and 4 of section 92-b of the state finance law,  
23    subdivision 3 as amended by chapter 878 of the laws of 1977, subdivision  
24    4 as amended by chapter 724 of the laws of 1979, are amended to read as  
25    follows:  
26    3. The moneys received from such tax and other sources in such fund,  
27    after deducting the amount the commissioner of taxation and finance

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

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1 shall determine to be necessary for reasonable costs of the state tax  
2 commission in administering, collecting and distributing such tax,  
3 commencing with the fiscal year ending March thirty-first, nineteen  
4 hundred seventy-seven, shall be appropriated to (i) the municipal  
5 assistance corporation for the city of New York created pursuant to  
6 title three of article ten of the public authorities law in order to  
7 enable such corporation to fulfill the terms of any agreements made with  
8 the holders of its notes and bonds and to carry out its corporate  
9 purposes including the maintenance of the capital reserve fund and (ii)  
10 to the extent such moneys are not required by such corporation as  
11 provided in subdivision seven of section ninety-two-d of this [chapter]  
12 ARTICLE and, after deducting the amount such commissioner shall deter-  
13 mine to be necessary for reasonable costs of the state tax commission in  
14 administering and making distributions in accordance with the provisions  
15 of section two hundred eighty-a of the tax law from the stock transfer  
16 incentive fund, to the stock transfer incentive fund created pursuant to  
17 section ninety-two-i of this [chapter] ARTICLE to enable rebates to be  
18 made from such fund under the provisions of section two hundred eighty-a  
19 of the tax law and (iii) to the extent such moneys are not required by  
20 such fund, as certified by the commissioner of taxation and finance, the  
21 balance shall be appropriated to the [city of New York, for the support  
22 of local government] STATEWIDE PRE-K FUND ESTABLISHED PURSUANT TO  
23 SECTION NINETY-TWO-O OF THIS ARTICLE.

24 4. After the deduction of such costs of the state tax commission in  
25 administering, collecting and distributing such tax, the balances in the  
26 stock transfer tax fund so appropriated shall be distributed and paid on  
27 the last business day of September, December, March and June into the  
28 special account established for the municipal assistance corporation for  
29 the city of New York in the municipal assistance tax fund established  
30 pursuant to subdivision one of section ninety-two-d of this [chapter]  
31 ARTICLE, unless and to the extent the balances in such fund on each such  
32 payment day are not required by such corporation as provided in said  
33 subdivision seven of said section ninety-two-d in which case the balance  
34 not so required, if any, after the deduction of such costs of the state  
35 tax commission in administering and making distributions in accordance  
36 with the provisions of section two hundred eighty-a of the tax law from  
37 the stock transfer incentive fund shall be distributed and paid to the  
38 stock transfer incentive fund in the custody of the commissioner of  
39 taxation and finance established pursuant to section ninety-two-i of  
40 this [chapter] ARTICLE and unless and to the extent that the balances in  
41 the stock transfer tax fund on each such payment day are not required by  
42 the stock transfer incentive fund as provided in such section ninety-  
43 two-i of this [chapter] ARTICLE in which case the balance not so  
44 required, if any, shall be distributed and paid to the [chief fiscal  
45 officer of the city of New York to be paid into the treasury of the city  
46 to the credit of the general fund or paid by the commissioner of taxa-  
47 tion and finance to such other account or fund as may be designated in  
48 writing by such chief fiscal officer at least ten business days prior to  
49 such last day and on each such day, the] STATEWIDE PRE-K FUND ESTAB-  
50 LISHED PURSUANT TO SECTION NINETY-TWO-O OF THIS ARTICLE. THE commis-  
51 sioner of taxation and finance shall certify to the comptroller the  
52 amount deducted for administering, collecting and distributing such tax  
53 during such quarterly period and shall pay such amount into the general  
54 fund of the state treasury to the credit of the state purposes fund  
55 therein. In no event shall any amount (other than the amount to be  
56 deducted for administering, collecting and distributing such tax) be

1 distributed or paid from the stock transfer tax fund to any person other  
2 than the municipal assistance corporation for the city of New York  
3 unless and until the aggregate of all payments certified to the comp-  
4 troller as required by such corporation in order to comply with its  
5 agreements with the holders of its notes and bonds and to carry out its  
6 corporate purposes, including the maintenance of the capital reserve  
7 fund, which remain unappropriated or unpaid to such corporation shall  
8 have been appropriated to such corporation and shall have been paid in  
9 full provided, however, that no person, including such corporation or  
10 the holders of its notes or bonds shall have any lien on such tax and  
11 such agreements shall be executory only to the extent of the balances  
12 available to the state in such fund. If the balances in such fund are  
13 not required by such corporation pursuant to the provisions of this  
14 subdivision, on each such last business day of September, December,  
15 March and June, the commissioner of taxation and finance shall certify  
16 to the comptroller the amount deducted for administering and making  
17 distributions in accordance with the provisions of section two hundred  
18 eighty-a of the tax law from the stock transfer incentive fund during  
19 such quarterly period and he shall pay such amount into the general fund  
20 of the state treasury to the credit of the state purposes fund therein.  
21 To the extent such moneys are not required by such corporation, as  
22 provided in subdivision seven of section ninety-two-d of this [chapter]  
23 ARTICLE, no amount thereof (other than such amount to be deducted for  
24 administering, collecting and distributing such tax and such costs in  
25 administering and making distributions in accordance with the provisions  
26 of section two hundred eighty-a of the tax law from the stock transfer  
27 incentive fund) shall be distributed or paid from the stock transfer tax  
28 fund other than to such stock transfer incentive fund OR THE STATEWIDE  
29 PRE-K FUND in the custody of the commissioner of taxation and finance  
30 unless and until the aggregate of all payments certified to the comp-  
31 troller by such commissioner pursuant to the provisions of such incen-  
32 tive fund as necessary to provide payments on account of rebates author-  
33 ized pursuant to section two hundred eighty-a of the tax law which  
34 remain unappropriated or unpaid to such fund shall have been appropri-  
35 ated to such fund and shall have been paid in full provided, however,  
36 that no person, including any taxpayer under article twelve of the tax  
37 law or any member or dealer referred to in subdivisions two-a and six of  
38 section two hundred eighty-a of such law, shall have any lien on this  
39 fund or the stock transfer incentive fund.

40 S 3. The state finance law is amended by adding a new section 92-o to  
41 read as follows:

42 S 92-O. THE STATEWIDE PRE-K FUND. 1. THERE IS HEREBY ESTABLISHED IN  
43 THE JOINT CUSTODY OF THE COMMISSIONER OF TAXATION AND FINANCE AND THE  
44 COMMISSIONER OF EDUCATION A SPECIAL FUND TO BE KNOWN AS THE STATEWIDE  
45 PRE-K FUND.

46 2. SUCH FUND SHALL CONSIST OF MONEYS PAID THERETO FROM THE STOCK  
47 TRANSFER TAX FUND AS PROVIDED IN SUBDIVISION FOUR OF SECTION  
48 NINETY-TWO-B OF THIS ARTICLE AND ALL OTHER MONEYS APPROPRIATED, CREDITED  
49 OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW.

50 3. THE MONEYS IN THIS FUND SHALL BE DIRECTED FOR THE EXPANSION OF  
51 PRE-KINDERGARTEN THROUGHOUT THE STATE.

52 4. MONIES SHALL BE PAYABLE FROM THE FUND ON THE AUDIT AND WARRANT OF  
53 THE COMPTROLLER ON VOUCHERS APPROVED AND CERTIFIED BY THE COMMISSIONER  
54 OF EDUCATION.

55 S 4. This act shall take effect September 1, 2014.