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

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2013-2014 Regular Sessions

I N S E N A T E

May 16, 2013

Introduced by Sen. CARLUCCI -- 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 the personal wealth building savings 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 39 to read as follows:

S 39. PERSONAL WEALTH BUILDING SAVINGS PROGRAM. 1. DEFINITIONS. (A) ACCOUNT. FOR PURPOSES OF THIS SECTION, THE TERM "ACCOUNT" MEANS A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT ESTABLISHED IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

(B) ACCOUNT BENEFICIARY. THE TERM "ACCOUNT BENEFICIARY" MEANS THE INDIVIDUAL IN WHOSE NAME THE ACCOUNT WAS ESTABLISHED.

(C) FINANCIAL ORGANIZATION. FOR PURPOSES OF THIS SECTION, THE TERM "FINANCIAL ORGANIZATION" SHALL MEAN AN ORGANIZATION AUTHORIZED TO DO BUSINESS IN THE STATE OF NEW YORK AND (I) WHICH IS AN AUTHORIZED FIDUCIARY TO ACT AS A TRUSTEE PURSUANT TO THE PROVISIONS OF AN ACT OF CONGRESS ENTITLED "EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974" AS SUCH PROVISIONS MAY BE AMENDED FROM TIME TO TIME, OR AN INSURANCE COMPANY; AND (II)(A) IS LICENSED OR CHARTERED BY THE DEPARTMENT OF FINANCIAL SERVICES, (B) IS CHARTERED BY AN AGENCY OF THE FEDERAL GOVERNMENT, (C) IS SUBJECT TO THE JURISDICTION AND REGULATION OF THE SECURITIES AND EXCHANGE COMMISSION OF THE FEDERAL GOVERNMENT, OR (D) IS ANY OTHER ENTITY OTHERWISE AUTHORIZED TO ACT IN THIS STATE AS A TRUSTEE PURSUANT TO THE PROVISIONS OF AN ACT OF CONGRESS ENTITLED "EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974" AS SUCH PROVISIONS MAY BE AMENDED FROM TIME TO TIME.

(D) QUALIFIED TAXPAYER. FOR PURPOSES OF THIS SECTION, THE TERM "QUALIFIED TAXPAYER" MEANS, WITH RESPECT TO ANY TAXABLE YEAR, A RESIDENT INDI-

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

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VIDUAL OF THE STATE WHOSE FEDERAL ADJUSTED GROSS INCOME IS LESS THAN FIFTY THOUSAND DOLLARS.

(E) QUALIFIED DISTRIBUTION. THE TERM "QUALIFIED DISTRIBUTION" MEANS ANY AMOUNT PAID TO THE ACCOUNT BENEFICIARY, PROVIDED THAT AGGREGATE PAYMENTS SHALL NOT EXCEED TEN PERCENT OF THE FUNDS IN SUCH ACCOUNT DURING A GIVEN TAXABLE YEAR.

2. FUNCTIONS OF THE COMMISSIONER. (A) THE COMMISSIONER SHALL IMPLEMENT THE PROGRAM UNDER THE TERMS AND CONDITIONS ESTABLISHED BY THIS SECTION. THE COMMISSIONER SHALL HAVE THE AUTHORITY AND IT SHALL BE HIS OR HER RESPONSIBILITY TO:

(I) DEVELOP AND IMPLEMENT THE PROGRAM IN A MANNER CONSISTENT WITH THE PROVISIONS OF THIS SECTION THROUGH RULES AND REGULATIONS ESTABLISHED IN ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT;

(II) ENGAGE THE SERVICES OF CONSULTANTS ON A CONTRACT BASIS FOR RENDERING PROFESSIONAL AND TECHNICAL ASSISTANCE AND ADVICE;

(III) CHARGE, IMPOSE, AND COLLECT ADMINISTRATIVE FEES AND SERVICE CHARGES IN CONNECTION WITH ANY AGREEMENT, CONTRACT OR TRANSACTION RELATING TO THE PROGRAM;

(IV) DEVELOP MARKETING PLANS AND PROMOTION MATERIAL;

(V) ESTABLISH THE METHODS BY WHICH THE FUNDS HELD IN SUCH ACCOUNTS BE DISPERSED;

(VI) ESTABLISH THE METHOD BY WHICH FUNDS SHALL BE ALLOCATED TO PAY FOR ADMINISTRATIVE COSTS; AND

(VII) DO ALL THINGS NECESSARY AND PROPER TO CARRY OUT THE PURPOSES OF THIS SECTION.

3. POWERS OF THE COMMISSIONER. (A) THE COMMISSIONER MAY IMPLEMENT THE PROGRAM THROUGH USE OF FINANCIAL ORGANIZATIONS AS ACCOUNT DEPOSITORIES AND MANAGERS. UNDER THE PROGRAM, QUALIFIED TAXPAYERS MAY ESTABLISH ACCOUNTS DIRECTLY WITH AN ACCOUNT DEPOSITORY.

(B) THE COMMISSIONER MAY SOLICIT PROPOSALS FROM FINANCIAL ORGANIZATIONS TO ACT AS DEPOSITORIES AND MANAGERS OF THE PROGRAM. FINANCIAL ORGANIZATIONS SUBMITTING PROPOSALS SHALL DESCRIBE THE INVESTMENT INSTRUMENT WHICH WILL BE HELD IN ACCOUNTS. THE COMMISSIONER SHALL SELECT AS PROGRAM DEPOSITORIES AND MANAGERS THE FINANCIAL ORGANIZATION, FROM AMONG THE BIDDING FINANCIAL ORGANIZATIONS THAT DEMONSTRATES THE MOST ADVANTAGEOUS COMBINATION, BOTH TO POTENTIAL PROGRAM PARTICIPANTS AND THE STATE, OF THE FOLLOWING FACTORS:

(I) FINANCIAL STABILITY AND INTEGRITY OF THE FINANCIAL ORGANIZATION;

(II) THE SAFETY OF THE INVESTMENT INSTRUMENT BEING OFFERED;

(III) THE ABILITY OF THE FINANCIAL ORGANIZATION TO SATISFY RECORDKEEPING AND REPORTING REQUIREMENTS;

(IV) THE FINANCIAL ORGANIZATION'S PLAN FOR PROMOTING THE PROGRAM AND THE INVESTMENT IT IS WILLING TO MAKE TO PROMOTE THE PROGRAM;

(V) THE FEES, IF ANY, PROPOSED TO BE CHARGED TO PERSONS FOR OPENING ACCOUNTS;

(VI) THE ABILITY OF BANKING ORGANIZATIONS TO ACCEPT ELECTRONIC WITHDRAWALS, INCLUDING PAYROLL DEDUCTION PLANS; AND

(VII) OTHER BENEFITS TO THE STATE OR ITS RESIDENTS INCLUDED IN THE PROPOSAL, INCLUDING FEES PAYABLE TO THE STATE TO COVER EXPENSES OF OPERATION OF THE PROGRAM.

(C) THE COMMISSIONER MAY ENTER INTO A CONTRACT WITH A FINANCIAL ORGANIZATION. SUCH FINANCIAL ORGANIZATION MANAGEMENT MAY PROVIDE ONE OR MORE TYPES OF INVESTMENT INSTRUMENT.

(D) THE COMMISSIONER MAY SELECT MORE THAN ONE FINANCIAL ORGANIZATION FOR THE PROGRAM.

(E) A MANAGEMENT CONTRACT SHALL INCLUDE, AT A MINIMUM, TERMS REQUIRING THE FINANCIAL ORGANIZATION TO:

(I) KEEP ADEQUATE RECORDS OF EACH ACCOUNT, KEEP EACH ACCOUNT SEGREGATED FROM EACH OTHER ACCOUNT, AND PROVIDE THE COMMISSIONER WITH THE INFORMATION NECESSARY TO PREPARE THE STATEMENTS REQUIRED BY SUBDIVISION FOUR OF THIS SECTION;

(II) COMPILE AND TOTAL INFORMATION CONTAINED IN STATEMENTS REQUIRED TO BE PREPARED UNDER SUBDIVISION FOUR OF THIS SECTION AND PROVIDE SUCH COMPILATIONS TO THE COMMISSIONER;

(III) IF THERE IS MORE THAN ONE PROGRAM MANAGER, PROVIDE THE COMMISSIONER WITH SUCH INFORMATION NECESSARY TO DETERMINE COMPLIANCE WITH SUBDIVISION FOUR OF THIS SECTION;

(IV) PROVIDE THE COMMISSIONER OR HIS OR HER DESIGNEE ACCESS TO THE BOOKS AND RECORDS OF THE PROGRAM MANAGER TO THE EXTENT NEEDED TO DETERMINE COMPLIANCE WITH THE CONTRACT;

(V) HOLD ALL ACCOUNTS FOR THE BENEFIT OF THE ACCOUNT BENEFICIARY;

(VI) BE AUDITED AT LEAST ANNUALLY BY A FIRM OF CERTIFIED PUBLIC ACCOUNTANTS SELECTED BY THE PROGRAM MANAGER AND THAT THE RESULTS OF SUCH AUDIT BE PROVIDED TO THE COMMISSIONER;

(VII) PROVIDE THE COMMISSIONER WITH COPIES OF ALL REGULATORY FILINGS AND REPORTS MADE BY IT DURING THE TERM OF THE MANAGEMENT CONTRACT OR WHILE IT IS HOLDING ANY ACCOUNTS, OTHER THAN CONFIDENTIAL FILINGS OR REPORTS THAT WILL NOT BECOME PART OF THE PROGRAM. THE PROGRAM MANAGER SHALL MAKE AVAILABLE FOR REVIEW BY THE COMMISSIONER THE RESULTS OF ANY PERIODIC EXAMINATION OF SUCH MANAGER BY ANY STATE OR FEDERAL BANKING, INSURANCE, OR SECURITIES COMMISSION, EXCEPT TO THE EXTENT THAT SUCH REPORT OR REPORTS MAY NOT BE DISCLOSED UNDER APPLICABLE LAW OR THE RULES OF SUCH COMMISSION; AND

(VIII) ENSURE THAT ANY DESCRIPTION OF THE PROGRAM, WHETHER IN WRITING OR THROUGH THE USE OF ANY MEDIA, IS CONSISTENT WITH THE MARKETING PLAN DEVELOPED PURSUANT TO THE PROVISIONS OF SUBDIVISION TWO OF THIS SECTION.

(F) THE COMMISSIONER MAY PROVIDE THAT AN AUDIT SHALL BE CONDUCTED OF THE OPERATIONS AND FINANCIAL POSITION OF THE PROGRAM DEPOSITORY AND MANAGER AT ANY TIME IF THE COMMISSIONER HAS ANY REASON TO BE CONCERNED ABOUT THE FINANCIAL POSITION, THE RECORDKEEPING PRACTICES, OR THE STATUS OF ACCOUNTS OF SUCH PROGRAM DEPOSITORY AND MANAGER.

(G) DURING THE TERM OF ANY CONTRACT WITH A PROGRAM MANAGER, THE COMMISSIONER SHALL CONDUCT AN EXAMINATION OF SUCH MANAGER AND ITS HANDLING OF ACCOUNTS. SUCH EXAMINATION SHALL BE CONDUCTED AT LEAST BIENNIALLY IF SUCH MANAGER IS NOT OTHERWISE SUBJECT TO PERIODIC EXAMINATION BY THE SUPERINTENDENT OF FINANCIAL SERVICES, THE FEDERAL DEPOSIT INSURANCE CORPORATION OR OTHER SIMILAR ENTITY.

(H) (I) IF SELECTION OF A FINANCIAL ORGANIZATION AS A PROGRAM MANAGER OR DEPOSITORY IS NOT RENEWED, AFTER THE END OF ITS TERM:

(A) ACCOUNTS PREVIOUSLY ESTABLISHED AND HELD IN INVESTMENT INSTRUMENTS AT SUCH FINANCIAL ORGANIZATION MAY BE TERMINATED;

(B) ADDITIONAL CONTRIBUTIONS MAY BE MADE TO SUCH ACCOUNTS;

(C) NO NEW ACCOUNTS MAY BE PLACED WITH SUCH FINANCIAL ORGANIZATION; AND

(D) EXISTING ACCOUNTS HELD BY SUCH DEPOSITORY SHALL REMAIN SUBJECT TO ALL OVERSIGHT AND REPORTING REQUIREMENTS ESTABLISHED BY THE COMMISSIONER.

(II) IF THE COMMISSIONER TERMINATES A FINANCIAL ORGANIZATION AS A PROGRAM MANAGER OR DEPOSITORY, HE OR SHE SHALL TAKE CUSTODY OF ACCOUNTS HELD BY SUCH FINANCIAL ORGANIZATION AND SHALL SEEK TO PROMPTLY TRANSFER SUCH ACCOUNTS TO ANOTHER FINANCIAL ORGANIZATION THAT IS SELECTED AS A

PROGRAM MANAGER OR DEPOSITORY AND INTO INVESTMENT INSTRUMENTS AS SIMILAR TO THE ORIGINAL INSTRUMENTS AS POSSIBLE.

(I) THE COMMISSIONER MAY ENTER INTO SUCH CONTRACTS AS HE OR SHE DEEMS NECESSARY AND PROPER FOR THE IMPLEMENTATION OF THE PROGRAM.

4. PROGRAM DESCRIPTION AND REQUIREMENTS; PERSONAL WEALTH BUILDING SAVINGS ACCOUNT. (A) PERSONAL WEALTH BUILDING SAVINGS ACCOUNTS ESTABLISHED PURSUANT TO THE PROVISIONS OF THIS SECTION SHALL BE GOVERNED BY THE PROVISIONS OF THIS SUBDIVISION.

(B) A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT MAY BE OPENED BY ANY QUALIFIED TAXPAYER WHO DESIRES TO SAVE MONEY FOR THE PURPOSES OF BUILDING PERSONAL WEALTH.

(I) AN APPLICATION FOR SUCH ACCOUNT SHALL BE IN THE FORM PRESCRIBED BY THE PROGRAM AND SHALL CONTAIN THE NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF THE QUALIFIED TAXPAYER, AND SUCH OTHER INFORMATION AS THE PROGRAM MAY REQUIRE.

(II) THE COMMISSIONER MAY ESTABLISH A NOMINAL FEE FOR SUCH APPLICATION.

(C) ANY PERSON, INCLUDING THE QUALIFIED TAXPAYER, MAY MAKE CONTRIBUTIONS TO THE ACCOUNT AFTER THE ACCOUNT IS OPENED.

(D) CONTRIBUTIONS TO ACCOUNTS MAY BE MADE ONLY IN CASH.

(E) IN THE CASE OF A QUALIFIED TAXPAYER, THERE SHALL BE ALLOWED AS A DEDUCTION FOR THE TAXABLE YEAR AN AMOUNT EQUAL TO THE AGGREGATE AMOUNT PAID IN CASH DURING SUCH TAXABLE YEAR BY OR ON BEHALF OF SUCH INDIVIDUAL TO AN ACCOUNT OF SUCH INDIVIDUAL.

(F) THERE SHALL BE NO MINIMUM OR MAXIMUM CONTRIBUTION REQUIREMENT. HOWEVER, AGGREGATE CONTRIBUTIONS MAY NOT EXCEED FIVE THOUSAND DOLLARS IN A GIVEN TAXABLE YEAR.

(G) AN ACCOUNT ESTABLISHED UNDER THIS SECTION IS EXEMPT FROM TAXATION UNDER THIS CHAPTER UNLESS SUCH ACCOUNT HAS CEASED TO BE A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT.

(H) WITH RESPECT TO ANY TAXABLE YEAR, IF THE FEDERAL ADJUSTED GROSS INCOME OF THE BENEFICIARY EXCEEDS FIFTY THOUSAND DOLLARS, ALL PERSONAL WEALTH BUILDING SAVINGS ACCOUNTS OF SUCH INDIVIDUAL SHALL CEASE TO BE SUCH ACCOUNTS AND THE BALANCE OF ALL SUCH ACCOUNTS SHALL BE TREATED AS (I) DISTRIBUTED TO SUCH INDIVIDUAL, AND (II) NOT PAID IN A QUALIFIED DISTRIBUTION.

(I) TAX TREATMENT OF DISTRIBUTIONS. (I) GENERAL. IN GENERAL, ANY AMOUNT PAID OR DISTRIBUTED OUT OF A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT SHALL BE INCLUDED IN GROSS INCOME.

(II) ADDITIONAL TAX ON NON-QUALIFIED DISTRIBUTIONS. IN ADDITION TO ANY OTHER TAX IMPOSED BY THIS CHAPTER, ANY NON-QUALIFIED DISTRIBUTION FROM A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT SHALL BE SUBJECT TO A FIFTEEN PERCENT SURCHARGE ON THE AMOUNT OF SUCH NON-QUALIFYING DISTRIBUTION. SUCH SURCHARGE SHALL NOT APPLY IF THE PAYMENT OR DISTRIBUTION IS MADE AFTER THE ACCOUNT BENEFICIARY BECOMES DISABLED OR DIES.

(III) ROLLOVER CONTRIBUTIONS. FOR PURPOSES OF THIS SECTION, ANY AMOUNT PAID OR DISTRIBUTED FROM AN ACCOUNT TO THE ACCOUNT BENEFICIARY SHALL BE TREATED AS A QUALIFIED DISTRIBUTION TO THE EXTENT THE AMOUNT RECEIVED IS PAID INTO A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT FOR THE BENEFIT OF SUCH BENEFICIARY NOT LATER THAN THE SIXTIETH DAY AFTER THE DAY ON WHICH THE BENEFICIARY RECEIVES THE PAYMENT OR DISTRIBUTION.

(IV) TREATMENT AFTER DEATH OF ACCOUNT BENEFICIARY. IF, BY REASON OF THE DEATH OF THE ACCOUNT BENEFICIARY, ANY PERSON ACQUIRES THE ACCOUNT BENEFICIARY'S INTEREST IN A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT:

(A) SUCH ACCOUNT SHALL CEASE TO BE A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT AS OF THE DATE OF DEATH, AND

(B) AN AMOUNT EQUAL TO THE FAIR MARKET VALUE OF THE ASSETS IN SUCH ACCOUNT ON SUCH DATE SHALL BE INCLUDED IN SUCH PERSON'S GROSS INCOME FOR THE TAXABLE YEAR WHICH INCLUDES SUCH DATE IF SUCH PERSON IS NOT THE ESTATE OF SUCH BENEFICIARY; OR IF SUCH PERSON IS THE ESTATE OF SUCH BENEFICIARY, IN SUCH BENEFICIARY'S GROSS INCOME FOR THE LAST TAXABLE YEAR OF SUCH BENEFICIARY.

(J) THE PROGRAM SHALL PROVIDED SEPARATE ACCOUNTING FOR EACH ACCOUNT BENEFICIARY.

(K) NO ACCOUNT BENEFICIARY OF ANY ACCOUNT SHALL BE PERMITTED TO DIRECT THE INVESTMENT OF ANY CONTRIBUTIONS TO AN ACCOUNT OR THE EARNINGS THEREON.

(L)(I) IF THERE IS ANY DISTRIBUTION FROM AN ACCOUNT TO AN ACCOUNT BENEFICIARY DURING A CALENDAR YEAR, SUCH DISTRIBUTION SHALL BE REPORTED TO THE INTERNAL REVENUE SERVICE AND THE QUALIFIED TAXPAYER TO THE EXTENT REQUIRED BY FEDERAL LAW OR REGULATION.

(II) STATEMENTS SHALL BE PROVIDED TO EACH QUALIFIED TAXPAYER AT LEAST ONCE EACH YEAR WITHIN SIXTY DAYS AFTER THE END OF THE TWELVE MONTH PERIOD TO WHICH THEY RELATE. THE STATEMENT SHALL IDENTIFY THE CONTRIBUTIONS MADE DURING A PRECEDING TWELVE MONTH PERIOD, THE TOTAL CONTRIBUTIONS MADE TO THE ACCOUNT THROUGH THE END OF THE PERIOD, THE VALUE OF THE ACCOUNT AT THE END OF SUCH PERIOD, DISTRIBUTIONS MADE DURING SUCH PERIOD AND ANY OTHER INFORMATION THAT THE COMMISSIONER SHALL REQUIRE TO BE REPORTED TO THE QUALIFIED TAXPAYER.

(III) STATEMENTS AND INFORMATION RELATING TO ACCOUNTS SHALL BE PREPARED AND FILED TO THE EXTENT REQUIRED BY FEDERAL AND STATE TAX LAW.

(M) AN ANNUAL FEE MAY BE IMPOSED UPON THE QUALIFIED TAXPAYER FOR THE MAINTENANCE OF THE ACCOUNT.

(N) THE PROGRAM SHALL DISCLOSE THE FOLLOWING INFORMATION IN WRITING TO EACH QUALIFIED TAXPAYER AND PROSPECTIVE QUALIFIED TAXPAYER OF A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT:

(I) THE TERMS AND CONDITIONS FOR PURCHASING A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT;

(II) THE PERSON OR ENTITY ENTITLED TO TERMINATE THE PERSONAL WEALTH BUILDING SAVINGS AGREEMENT;

(III) THE PERIOD OF TIME DURING WHICH A BENEFICIARY MAY RECEIVE BENEFITS UNDER THE PERSONAL WEALTH BUILDING SAVINGS AGREEMENT;

(IV) THE TERMS AND CONDITIONS UNDER WHICH MONEY MAY BE WHOLLY OR PARTIALLY WITHDRAWN FROM THE PROGRAM, INCLUDING, BUT NOT LIMITED TO, ANY REASONABLE CHARGES AND FEES THAT MAY BE IMPOSED FOR WITHDRAWAL;

(V) THE PROBABLE TAX CONSEQUENCES ASSOCIATED WITH CONTRIBUTIONS TO AND DISTRIBUTIONS FROM ACCOUNTS; AND

(VI) ALL OTHER RIGHTS AND OBLIGATIONS PURSUANT TO PERSONAL WEALTH BUILDING SAVINGS AGREEMENTS, AND ANY OTHER TERMS, CONDITIONS AND PROVISIONS DEEMED NECESSARY AND APPROPRIATE BY THE COMMISSIONER.

(O) PERSONAL WEALTH BUILDING SAVINGS AGREEMENTS SHALL BE SUBJECT TO SECTION FOURTEEN-C OF THE BANKING LAW AND THE "TRUTH-IN-SAVINGS" REGULATIONS PROMULGATED THEREUNDER.

S 2. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 40 to read as follows:

(40) ANY NON-QUALIFYING DISTRIBUTIONS MADE FROM A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT. THIS SHALL NOT INCLUDE ANY DISTRIBUTIONS THAT ARE EXEMPT FROM TAXATION AS SPECIFIED IN PARAGRAPH (E) OF SUBDIVISION ONE OF SECTION THIRTY-NINE OF THIS CHAPTER.

S 3. Subsection (c) of section 612 of the tax law is amended by adding a new paragraph 40 to read as follows:

(40) AN AMOUNT EQUAL TO ANY QUALIFIED CONTRIBUTION TO A PERSONAL WEALTH BUILDING SAVINGS ACCOUNT ESTABLISHED PURSUANT TO SECTION THIRTY-NINE OF THIS CHAPTER.

S 4. Section 601 of the tax law is amended by adding a new subsection (j) to read as follows:

(J) PERSONAL WEALTH BUILDING SAVINGS ACCOUNTS. ANY PERSONAL WEALTH BUILDING SAVINGS ACCOUNT PROPERLY ESTABLISHED UNDER SECTION THIRTY-NINE OF THIS CHAPTER SHALL NOT BE SUBJECT TO TAX UNDER THIS ARTICLE.

S 5. This act shall take effect immediately and shall apply to taxable years commencing after such effective date. Effective immediately, the commissioner of taxation and finance may add, amend, or repeal any rule or regulation necessary to timely implement the provisions of this act on its effective date.