

3055--A

2015-2016 Regular Sessions

I N S E N A T E

February 2, 2015

Introduced by Sens. YOUNG, FUNKE, NOZZOLIO, RANZENHOFER -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to eliminating state sales and compensating use taxes on motor fuels and diesel motor fuels and authorizing localities to eliminate such taxes at the local level

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

1 Section 1. Subdivision (a) of section 1115 of the tax law is amended
2 by adding a new paragraph 44 to read as follows:
3 (44) MOTOR FUEL AND DIESEL MOTOR FUEL.
4 S 2. Subdivision (b) of section 1107 of the tax law is amended by
5 adding a new clause 12 to read as follows:
6 (12) EXCEPT AS OTHERWISE PROVIDED BY LAW, THE EXEMPTION PROVIDED IN
7 PARAGRAPH FORTY-FOUR OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED
8 FIFTEEN OF THIS ARTICLE RELATING TO MOTOR FUEL AND DIESEL MOTOR FUEL
9 SHALL BE APPLICABLE PURSUANT TO A LOCAL LAW, ORDINANCE OR RESOLUTION
10 ADOPTED BY A CITY SUBJECT TO THE PROVISIONS OF THIS SECTION. SUCH CITY
11 IS EMPOWERED TO ADOPT OR REPEAL SUCH A LOCAL LAW, ORDINANCE OR RESOL-
12 UTION. SUCH ADOPTION OR REPEAL SHALL ALSO BE DEEMED TO AMEND ANY LOCAL
13 LAW, ORDINANCE OR RESOLUTION ENACTED BY SUCH A CITY IMPOSING TAXES
14 PURSUANT TO THE AUTHORITY OF SUBDIVISION (A) OF SECTION TWELVE HUNDRED
15 TEN OF THIS CHAPTER.
16 S 3. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as
17 amended by section 3 of part Z of chapter 59 of the laws of 2015, is
18 amended to read as follows:
19 (1) Either, all of the taxes described in article twenty-eight of this
20 chapter, at the same uniform rate, as to which taxes all provisions of

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

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1 the local laws, ordinances or resolutions imposing such taxes shall be
2 identical, except as to rate and except as otherwise provided, with the
3 corresponding provisions in such article twenty-eight, including the
4 definition and exemption provisions of such article, so far as the
5 provisions of such article twenty-eight can be made applicable to the
6 taxes imposed by such city or county and with such limitations and
7 special provisions as are set forth in this article. The taxes author-
8 ized under this subdivision may not be imposed by a city or county
9 unless the local law, ordinance or resolution imposes such taxes so as
10 to include all portions and all types of receipts, charges or rents,
11 subject to state tax under sections eleven hundred five and eleven
12 hundred ten of this chapter, except as otherwise provided. (i) Any local
13 law, ordinance or resolution enacted by any city of less than one
14 million or by any county or school district, imposing the taxes author-
15 ized by this subdivision, shall, notwithstanding any provision of law to
16 the contrary, exclude from the operation of such local taxes all sales
17 of tangible personal property for use or consumption directly and
18 predominantly in the production of tangible personal property, gas,
19 electricity, refrigeration or steam, for sale, by manufacturing, proc-
20 essing, generating, assembly, refining, mining or extracting; and all
21 sales of tangible personal property for use or consumption predominantly
22 either in the production of tangible personal property, for sale, by
23 farming or in a commercial horse boarding operation, or in both; and,
24 unless such city, county or school district elects otherwise, shall omit
25 the provision for credit or refund contained in clause six of subdivi-
26 sion (a) or subdivision (d) of section eleven hundred nineteen of this
27 chapter. (ii) Any local law, ordinance or resolution enacted by any
28 city, county or school district, imposing the taxes authorized by this
29 subdivision, shall omit the residential solar energy systems equipment
30 and electricity exemption provided for in subdivision (ee), the commer-
31 cial solar energy systems equipment and electricity exemption provided
32 for in subdivision (ii) and the clothing and footwear exemption provided
33 for in paragraph thirty of subdivision (a) of section eleven hundred
34 fifteen of this chapter, unless such city, county or school district
35 elects otherwise as to either such residential solar energy systems
36 equipment and electricity exemption, such commercial solar energy
37 systems equipment and electricity exemption or such clothing and foot-
38 wear exemption. ANY LOCAL LAW, ORDINANCE OR RESOLUTION ENACTED BY ANY
39 CITY, COUNTY OR SCHOOL DISTRICT, IMPOSING THE TAXES AUTHORIZED BY THIS
40 SUBDIVISION, SHALL OMIT THE MOTOR FUEL AND DIESEL MOTOR FUEL EXEMPTION
41 PROVIDED FOR IN PARAGRAPH FORTY-FOUR OF SUBDIVISION (A) OF SECTION ELEV-
42 EN HUNDRED FIFTEEN OF THIS CHAPTER, UNLESS SUCH CITY, COUNTY OR SCHOOL
43 DISTRICT ELECTS OTHERWISE; PROVIDED THAT IF SUCH A CITY HAVING A POPU-
44 LATION OF ONE MILLION OR MORE ENACTS THE RESOLUTION DESCRIBED IN SUBDI-
45 VISION (N) OF THIS SECTION OR REPEALS SUCH RESOLUTION, SUCH RESOLUTION
46 OR REPEAL SHALL ALSO BE DEEMED TO AMEND ANY LOCAL LAW, ORDINANCE OR
47 RESOLUTION ENACTED BY SUCH A CITY IMPOSING SUCH TAXES PURSUANT TO THE
48 AUTHORITY OF THIS SUBDIVISION, WHETHER OR NOT SUCH TAXES ARE SUSPENDED
49 AT THE TIME SUCH CITY ENACTS ITS RESOLUTION PURSUANT TO SUBDIVISION (N)
50 OF THIS SECTION OR AT THE TIME OF ANY SUCH REPEAL; PROVIDED, FURTHER,
51 THAT ANY SUCH LOCAL LAW, ORDINANCE OR RESOLUTION AND SECTION ELEVEN
52 HUNDRED SEVEN OF THIS CHAPTER, AS DEEMED TO BE AMENDED IN THE EVENT A
53 CITY OF ONE MILLION OR MORE ENACTS A RESOLUTION PURSUANT TO THE AUTHORI-
54 TY OF SUBDIVISION (N) OF THIS SECTION, SHALL BE FURTHER AMENDED, AS
55 PROVIDED IN SECTION TWELVE HUNDRED EIGHTEEN OF THIS SUBPART, SO THAT THE
56 MOTOR FUEL AND DIESEL MOTOR FUEL EXEMPTION IN ANY SUCH LOCAL LAW, ORDI-

1 NANCE OR RESOLUTION OR IN SUCH SECTION ELEVEN HUNDRED SEVEN OF THIS
2 CHAPTER IS THE SAME AS THE MOTOR FUEL AND DIESEL MOTOR FUEL EXEMPTION IN
3 PARAGRAPH FORTY-FOUR OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED
4 FIFTEEN OF THIS CHAPTER.

5 S 4. Subdivision (d) of section 1210 of the tax law, as amended by
6 section 4-a of part Z of chapter 59 of the laws of 2015, is amended to
7 read as follows:

8 (d) A local law, ordinance or resolution imposing any tax pursuant to
9 this section, increasing or decreasing the rate of such tax, repealing
10 or suspending such tax, exempting from such tax the energy sources and
11 services described in paragraph three of subdivision (a) or of subdivi-
12 sion (b) of this section or changing the rate of tax imposed on such
13 energy sources and services or providing for the credit or refund
14 described in clause six of subdivision (a) of section eleven hundred
15 nineteen of this chapter, or electing or repealing the exemption for
16 residential solar equipment and electricity in subdivision (ee) of
17 section eleven hundred fifteen of this article, or the exemption for
18 commercial solar equipment and electricity in subdivision (ii) of
19 section eleven hundred fifteen of this article must go into effect only
20 on one of the following dates: March first, June first, September first
21 or December first; provided, that a local law, ordinance or resolution
22 providing for the exemption described in paragraph thirty of subdivision
23 (a) of section eleven hundred fifteen of this chapter or repealing any
24 such exemption or a local law, ordinance or resolution providing for a
25 refund or credit described in subdivision (d) of section eleven hundred
26 nineteen of this chapter or repealing such provision so provided must go
27 into effect only on March first; PROVIDED, FURTHER, THAT A LOCAL LAW,
28 ORDINANCE OR RESOLUTION PROVIDING FOR THE EXEMPTION DESCRIBED IN PARA-
29 GRAPH FORTY-FOUR OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF
30 THIS CHAPTER OR REPEALING ANY SUCH EXEMPTION SO PROVIDED AND A RESOL-
31 UTION ENACTED PURSUANT TO THE AUTHORITY OF SUBDIVISION (N) OF THIS
32 SECTION PROVIDING SUCH EXEMPTION OR REPEALING SUCH EXEMPTION SO PROVIDED
33 MAY GO INTO EFFECT IMMEDIATELY. No such local law, ordinance or resol-
34 ution shall be effective unless a certified copy of such law, ordinance
35 or resolution is mailed by registered or certified mail to the commis-
36 sioner at the commissioner's office in Albany at least ninety days prior
37 to the date it is to become effective. However, the commissioner may
38 waive and reduce such ninety-day minimum notice requirement to a mailing
39 of such certified copy by registered or certified mail within a period
40 of not less than thirty days prior to such effective date if the commis-
41 sioner deems such action to be consistent with the commissioner's duties
42 under section twelve hundred fifty of this article and the commissioner
43 acts by resolution. Where the restriction provided for in section twelve
44 hundred twenty-three of this article as to the effective date of a tax
45 and the notice requirement provided for therein are applicable and have
46 not been waived, the restriction and notice requirement in section
47 twelve hundred twenty-three of this article shall also apply.

48 S 5. Section 1210 of the tax law is amended by adding a new subdivi-
49 sion (n) to read as follows:

50 (N) NOTWITHSTANDING ANY OTHER PROVISION OF STATE OR LOCAL LAW, ORDI-
51 NANCE OR RESOLUTION TO THE CONTRARY:

52 (1) ANY CITY HAVING A POPULATION OF ONE MILLION OR MORE IN WHICH THE
53 TAXES IMPOSED BY SECTION ELEVEN HUNDRED SEVEN OF THIS CHAPTER ARE IN
54 EFFECT, ACTING THROUGH ITS LOCAL LEGISLATIVE BODY, IS HEREBY AUTHORIZED
55 AND EMPOWERED TO ELECT TO PROVIDE THE EXEMPTION FROM SUCH TAXES FOR THE
56 SAME MOTOR FUEL AND DIESEL MOTOR FUEL EXEMPT FROM STATE SALES AND

1 COMPENSATING USE TAXES DESCRIBED IN PARAGRAPH FORTY-FOUR OF SUBDIVISION
2 (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF THIS CHAPTER BY ENACTING A
3 RESOLUTION IN THE FORM SET FORTH IN PARAGRAPH TWO OF THIS SUBDIVISION;
4 WHEREUPON, UPON COMPLIANCE WITH THE PROVISIONS OF SUBDIVISIONS (D) AND
5 (E) OF THIS SECTION, SUCH ENACTMENT OF SUCH RESOLUTION SHALL BE DEEMED
6 TO BE AN AMENDMENT TO SUCH SECTION ELEVEN HUNDRED SEVEN AND SUCH SECTION
7 ELEVEN HUNDRED SEVEN SHALL BE DEEMED TO INCORPORATE SUCH EXEMPTION AS IF
8 IT HAD BEEN DULY ENACTED BY THE STATE LEGISLATURE AND APPROVED BY THE
9 GOVERNOR.

10 (2) FORM OF RESOLUTION: BE IT ENACTED BY THE (INSERT PROPER TITLE OF
11 LOCAL LEGISLATIVE BODY) AS FOLLOWS:

12 SECTION ONE. RECEIPTS FROM SALES OF AND CONSIDERATION GIVEN OR
13 CONTRACTED TO BE GIVEN FOR PURCHASES OF MOTOR FUEL AND DIESEL MOTOR FUEL
14 EXEMPT FROM STATE SALES AND COMPENSATING USE TAXES PURSUANT TO PARAGRAPH
15 FORTY-FOUR OF SUBDIVISION (A) OF SECTION ELEVEN HUNDRED FIFTEEN OF THE
16 TAX LAW SHALL ALSO BE EXEMPT FROM SALES AND COMPENSATING USE TAXES
17 IMPOSED IN THIS JURISDICTION.

18 SECTION TWO. THIS RESOLUTION SHALL TAKE EFFECT, (INSERT THE DATE) AND
19 SHALL APPLY TO SALES MADE AND USES OCCURRING ON AND AFTER THAT DATE
20 ALTHOUGH MADE OR OCCURRING UNDER A PRIOR CONTRACT.

21 S 6. The commissioner of taxation and finance is hereby authorized to
22 implement the provisions of this act with respect to the elimination of
23 the imposition of sales tax, additional taxes, and supplemental taxes on
24 diesel motor fuel and motor fuel and all other taxes so addressed by
25 this act.

26 S 7. This act shall take effect on the first day of the sales tax
27 quarterly period, as described in subdivision (b) of section 1136 of the
28 tax law, next commencing at least 90 days after this act shall have
29 become a law and shall apply in accordance with the applicable transi-
30 tional provisions of sections 1106 and 1217 of the tax law.