

STATE OF NEW YORK

7670

IN SENATE

February 6, 2018

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 rebates on stock transfer tax paid; to amend the state finance law, in relation to the funds of the stock transfer tax fund and the dedicated infrastructure investment fund

The People of the State of New York, represented in Senate and Assembly, 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 nineteen and sixty percent
20 of the amount of tax incurred and paid shall be allowed as a rebate on
21 transactions subject to the stock transfer tax occurring on and after
22 October first, two thousand nineteen.

23 § 2. Section 92-b of the state finance law, as added by chapter 91 of
24 the laws of 1965 and as renumbered and subdivision 5 as added by chapter
25 3 of the laws of 1966, subdivision 3 as amended by chapter 878 of the

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

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1 laws of 1977, subdivision 4 as amended by chapter 724 of the laws of
2 1979 and subdivision 7 as added by section 10 of part SS1 of chapter 57
3 of the laws of 2008, is amended to read as follows:

4 § 92-b. Stock transfer tax fund. 1. There is hereby established in the
5 custody of the commissioner of taxation and finance a special fund, to
6 be known as the stock transfer tax fund.

7 2. Such fund shall consist of the revenues derived from the stock
8 transfer tax imposed by article twelve of the tax law and all other
9 moneys credited or transferred thereto from any other fund or source
10 pursuant to law.

11 3. The moneys received from such tax and other sources in such fund[
12 ~~after deducting the amount the commissioner of taxation and finance~~
13 ~~shall determine to be necessary for]~~ shall be used to cover the reason-
14 able costs of the state tax commission in administering, collecting and
15 distributing [~~such~~] the stock transfer tax, commencing with the fiscal
16 year ending March thirty-first, [~~nineteen hundred seventy-seven~~] two
17 thousand nineteen, [~~shall be appropriated to (i) the municipal assist-~~
18 ~~ance corporation for the city of New York created pursuant to title~~
19 ~~three of article ten of the public authorities law in order to enable~~
20 ~~such corporation to fulfill the terms of any agreements made with the~~
21 ~~holders of its notes and bonds and to carry out its corporate purposes~~
22 ~~including the maintenance of the capital reserve fund and (ii) to the~~
23 ~~extent such moneys are not required by such corporation as provided in~~
24 ~~subdivision seven of section ninety-two-d of this chapter and, after~~
25 ~~deducting the amount such commissioner shall determine to be necessary~~
26 ~~for reasonable costs of the state tax commission in administering and~~
27 ~~making distributions in accordance with the provisions of section two~~
28 ~~hundred eighty-a of the tax law from the stock transfer incentive fund,~~
29 ~~to the stock transfer incentive fund created pursuant to section nine-~~
30 ~~ty-two-i of this chapter to enable rebates to be made from such fund~~
31 ~~under the provisions of section two hundred eighty-a of the tax law and~~
32 ~~(iii) to the extent such moneys are not required by such fund, as certi-~~
33 ~~fied by the commissioner of taxation and finance, the balance shall be~~
34 ~~appropriated to the city of New York, for the support of local govern-~~
35 ~~ment]~~ and the remainder shall be deposited into the account for the
36 dedicated infrastructure investment fund as established by section nine-
37 ty-three-b of this article.

38 4. [~~After the deduction of such costs of the state tax commission in~~
39 ~~administering, collecting and distributing such tax, the balances in the~~
40 ~~stock transfer tax fund so appropriated shall be distributed and paid on~~
41 ~~the last business day of September, December, March and June into the~~
42 ~~special account established for the municipal assistance corporation for~~
43 ~~the city of New York in the municipal assistance tax fund established~~
44 ~~pursuant to subdivision one of section ninety-two-d of this chapter,~~
45 ~~unless and to the extent the balances in such fund on each such payment~~
46 ~~day are not required by such corporation as provided in said subdivision~~
47 ~~seven of said section ninety-two-d in which case the balance not so~~
48 ~~required, if any, after the deduction of such costs of the state tax~~
49 ~~commission in administering and making distributions in accordance with~~
50 ~~the provisions of section two hundred eighty-a of the tax law from the~~
51 ~~stock transfer incentive fund shall be distributed and paid to the stock~~
52 ~~transfer incentive fund in the custody of the commissioner of taxation~~
53 ~~and finance established pursuant to section ninety-two-i of this chapter~~
54 ~~and unless and to the extent that the balances in the stock transfer tax~~
55 ~~fund on each such payment day are not required by the stock transfer~~
56 ~~incentive fund as provided in such section ninety-two-i of this chapter~~

1 ~~in which case the balance not so required, if any, shall be distributed~~
2 ~~and paid to the chief fiscal officer of the city of New York to be paid~~
3 ~~into the treasury of the city to the credit of the general fund or paid~~
4 ~~by the commissioner of taxation and finance to such other account or~~
5 ~~fund as may be designated in writing by such chief fiscal officer at~~
6 ~~least ten business days prior to such last day and on each such day, the~~
7 ~~commissioner of taxation and finance shall certify to the comptroller~~
8 ~~the amount deducted for administering, collecting and distributing such~~
9 ~~tax during such quarterly period and shall pay such amount into the~~
10 ~~general fund of the state treasury to the credit of the state purposes~~
11 ~~fund therein. In no event shall any amount (other than the amount to be~~
12 ~~deducted for administering, collecting and distributing such tax) be~~
13 ~~distributed or paid from the stock transfer tax fund to any person other~~
14 ~~than the municipal assistance corporation for the city of New York~~
15 ~~unless and until the aggregate of all payments certified to the comp-~~
16 ~~troller as required by such corporation in order to comply with its~~
17 ~~agreements with the holders of its notes and bonds and to carry out its~~
18 ~~corporate purposes, including the maintenance of the capital reserve~~
19 ~~fund, which remain unappropriated or unpaid to such corporation shall~~
20 ~~have been appropriated to such corporation and shall have been paid in~~
21 ~~full provided, however, that no person, including such corporation or~~
22 ~~the holders of its notes or bonds shall have any lien on such tax and~~
23 ~~such agreements shall be executory only to the extent of the balances~~
24 ~~available to the state in such fund. If the balances in such fund are~~
25 ~~not required by such corporation pursuant to the provisions of this~~
26 ~~subdivision, on each such last business day of September, December,~~
27 ~~March and June, the commissioner of taxation and finance shall certify~~
28 ~~to the comptroller the amount deducted for administering and making~~
29 ~~distributions in accordance with the provisions of section two hundred~~
30 ~~eighty-a of the tax law from the stock transfer incentive fund during~~
31 ~~such quarterly period and he shall pay such amount into the general fund~~
32 ~~of the state treasury to the credit of the state purposes fund therein.~~
33 ~~To the extent such moneys are not required by such corporation, as~~
34 ~~provided in subdivision seven of section ninety-two-d of this chapter,~~
35 ~~no amount thereof (other than such amount to be deducted for administer-~~
36 ~~ing, collecting and distributing such tax and such costs in administer-~~
37 ~~ing and making distributions in accordance with the provisions of~~
38 ~~section two hundred eighty-a of the tax law from the stock transfer~~
39 ~~incentive fund) shall be distributed or paid from the stock transfer tax~~
40 ~~fund other than to such stock transfer incentive fund in the custody of~~
41 ~~the commissioner of taxation and finance unless and until the aggregate~~
42 ~~of all payments certified to the comptroller by such commissioner pursu-~~
43 ~~ant to the provisions of such incentive fund as necessary to provide~~
44 ~~payments on account of rebates authorized pursuant to section two~~
45 ~~hundred eighty-a of the tax law which remain unappropriated or unpaid to~~
46 ~~such fund shall have been appropriated to such fund and shall have been~~
47 ~~paid in full provided, however, that no person, including any taxpayer~~
48 ~~under article twelve of the tax law or any member or dealer referred to~~
49 ~~in subdivisions two-a and six of section two hundred eighty-a of such~~
50 ~~law, shall have any lien on this fund or the stock transfer incentive~~
51 ~~fund.~~

52 ~~5. In no fiscal year shall the total amount paid from the fund exceed~~
53 ~~the total collections during such fiscal year from the stock transfer~~
54 ~~tax pursuant to the provisions of article twelve of the tax law and as~~
55 ~~deposited to the credit of the stock transfer tax fund.~~

1 ~~6.~~] All payments from the stock transfer tax fund shall be made on the
2 audit and warrant of the comptroller on vouchers approved by the commis-
3 sioner of taxation and finance.

4 ~~[7. When all the notes and bonds of the municipal assistance corpo-~~
5 ~~ration for the city of New York have been fully paid and discharged,~~
6 ~~together with interest thereon and interest on unpaid installments of~~
7 ~~interest, and the chairman of the corporation makes the final certif-~~
8 ~~ication required by subdivision seven of section ninety-two-d of this~~
9 ~~article, the comptroller must notify the commissioner of taxation and~~
10 ~~finance that all remaining funds held in the stock transfer tax fund~~
11 ~~must be released to the stock transfer incentive fund. From that time~~
12 ~~forward, all funds previously deposited in the stock transfer tax fund~~
13 ~~pursuant to subdivision two of this section will be deposited directly~~
14 ~~into the stock transfer incentive fund pursuant to all the rules, regu-~~
15 ~~lations or instructions that the commissioner may prescribe, after~~
16 ~~deducting the amount the commissioner determines to be necessary for~~
17 ~~reasonable costs of the department in administering, collecting and~~
18 ~~distributing the tax imposed by article twelve of the tax law. Notwith-~~
19 ~~standing any other provisions of this article, to the extent those~~
20 ~~moneys are not required by the stock transfer incentive fund for the~~
21 ~~purpose of administering and making distributions in accordance with the~~
22 ~~provisions of section two hundred eighty-a of the tax law, as certified~~
23 ~~by the commissioner of taxation and finance, the balance will be appro-~~
24 ~~riated to the city of New York for the support of local government.]~~

25 § 3. Paragraph (c) of subdivision 1 of section 93-b of the state
26 finance law, as added by section 1 of part H of chapter 60 of the laws
27 of 2015, is amended to read as follows:

28 (c) Sources of funds. The sources of funds shall consist of all moneys
29 collected therefor, or moneys credited, appropriated or transferred
30 thereto from any other fund or source pursuant to law or any other
31 moneys made available for the purposes of the fund, including but not
32 limited to funds transferred from the stock transfer tax fund pursuant
33 to subdivision three of section ninety-two-b of this article. Any inter-
34 est received by the comptroller on moneys on deposit shall be retained
35 and become part of the fund, unless otherwise directed by law.

36 § 4. This act shall take effect immediately.