STATE OF NEW YORK

1278

2017-2018 Regular Sessions

IN SENATE

January 9, 2017

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 computing sales and compensating use tax on retail sales of motor fuel and diesel motor fuel at a rate of cents per gallon in cities of one million or more

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraphs 3, 4 and 6 of subdivision (m) of section 1111 of the tax law, as amended by section 1 of part M-1 of chapter 109 of the laws of 2006, are amended to read as follows:

(3) [~~Paragraph one of this subdivision shall not apply to the~~] **The** sales and compensating use taxes imposed by subdivision (a) of section eleven hundred seven of this article in regard to retail sales of motor fuel and diesel motor fuel[~~. However, the legislative body of a city in which the taxes imposed by such section eleven hundred seven are in effect, by local law, ordinance, or resolution in exactly the form prepared by the commissioner, may elect that such taxes, in regard to retail sales of motor fuel and diesel motor fuel,~~] shall be computed, as determined by the commissioner, at a rate of cents per gallon, rounded to the nearest cent, equal to two or three dollars, as determined by the [~~municipality~~] **city in which such tax is imposed**, multiplied by the percentage rate of such taxes within the municipality.

(4) [~~Paragraph~~] **Except as provided in paragraph three of this subdivision, paragraph** one of this subdivision shall not apply to the sales and compensating use taxes imposed by a local law, ordinance or resolution of a municipality pursuant to the authority of subpart B of part one of article twenty-nine of this chapter, in regard to retail sales of motor fuel and diesel motor fuel. The legislative body of such a municipality, by local law, ordinance or resolution in exactly the form prepared by the commissioner, may elect that its sales and compensating use taxes,

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

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in regard to the retail sale of motor fuel and diesel motor fuel, shall be computed, as determined by the commissioner, at a rate of cents per gallon, rounded to the nearest cent, equal to two or three dollars, as determined by the municipality, multiplied by the percentage rate of such taxes within the municipality.

(6) A local law, ordinance or resolution **setting the rate of tax pursuant to paragraph three of this subdivision or** making or revoking the election made pursuant to paragraph [~~three or~~] four of this subdivision must go into effect in accordance with the provisions of subdivisions (d) and (e) of section twelve hundred ten of this chapter.

§ 2. A municipality shall set the rate of tax as provided by paragraph (3) of subdivision (m) of section 1111 of the tax law, beginning June 1, 2017, by local law, ordinance or resolution, and such municipality shall mail, by certified or registered mail, a certified copy of such local law, ordinance or resolution to the commissioner of taxation and finance at his or her office in Albany on or before May 21, 2018.

§ 3. This act shall take effect immediately.