

# STATE OF NEW YORK

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1523

2017-2018 Regular Sessions

## IN SENATE

January 10, 2017

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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 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 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 seventeen, and thirty  
20 percent of the tax incurred and paid shall be allowed as a rebate on  
21 such transactions occurring on and after October first, two thousand  
22 seventeen.

23 § 2. Subdivisions 3 and 4 of section 92-b of the state finance law,  
24 subdivision 3 as amended by chapter 878 of the laws of 1977, subdivision

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

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1 4 as amended by chapter 724 of the laws of 1979, are amended to read as  
2 follows:

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

28 4. After the deduction of such costs of the state tax commission in  
29 administering, collecting and distributing such tax, the balances in the  
30 stock transfer tax fund so appropriated shall be distributed and paid on  
31 the last business day of September, December, March and June into the  
32 special account established for the municipal assistance corporation for  
33 the city of New York in the municipal assistance tax fund established  
34 pursuant to subdivision one of section ninety-two-d of this [~~chapter~~  
35 article], unless and to the extent the balances in such fund on each such  
36 payment day are not required by such corporation as provided in said  
37 subdivision seven of said section ninety-two-d in which case the balance  
38 not so required, if any, after the deduction of such costs of the state  
39 tax commission in administering and making distributions in accordance  
40 with the provisions of section two hundred eighty-a of the tax law from  
41 the stock transfer incentive fund shall be distributed and paid to the  
42 stock transfer incentive fund in the custody of the commissioner of  
43 taxation and finance established pursuant to section ninety-two-i of  
44 this [~~chapter~~] article and unless and to the extent that the balances in  
45 the stock transfer tax fund on each such payment day are not required by  
46 the stock transfer incentive fund as provided in such section ninety-  
47 two-i of this [~~chapter~~] article in which case the balance not so  
48 required, if any, shall be distributed and paid to the [~~chief fiscal~~  
49 ~~officer of the city of New York to be paid into the treasury of the city~~  
50 ~~to the credit of the general fund or paid by the commissioner of taxa-~~  
51 ~~tion and finance to such other account or fund as may be designated in~~  
52 ~~writing by such chief fiscal officer at least ten business days prior to~~  
53 ~~such last day and on each such day, the~~] statewide pre-k fund estab-  
54 lished pursuant to section ninety-two-o of this article. The commis-  
55 sioner of taxation and finance shall certify to the comptroller the  
56 amount deducted for administering, collecting and distributing such tax

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

44 § 3. The state finance law is amended by adding a new section 92-o to  
45 read as follows:

46 § 92-o. The statewide pre-k fund. 1. There is hereby established in  
47 the joint custody of the commissioner of taxation and finance and the  
48 commissioner of education a special fund to be known as the statewide  
49 pre-k fund.

50 2. Such fund shall consist of moneys paid thereto from the stock  
51 transfer tax fund as provided in subdivision four of section  
52 ninety-two-b of this article and all other moneys appropriated, credited  
53 or transferred thereto from any other fund or source pursuant to law.

54 3. The moneys in this fund shall be directed for the expansion of  
55 pre-kindergarten throughout the state.

1     4. Monies shall be payable from the fund on the audit and warrant of  
2     the comptroller on vouchers approved and certified by the commissioner  
3     of education.  
4     § 4. This act shall take effect September 1, 2017.