STATE OF NEW YORK

684

2017-2018 Regular Sessions

IN SENATE

January 4, 2017

Introduced by Sen. ORTT -- 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 medicaid payments by the county of Niagara and to repeal certain provisions of the tax law and section 5 of chapter 4 of the laws of 2003, relating to authorizing Niagara county to impose an additional rate of sales and compensating use taxes, relating thereto

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

Section 1. Clause 29 of subparagraph (i) of the opening paragraph of section 1210 of the tax law, as amended by chapter 183 of the laws of 2015, is REPEALED.

§ 2. Subdivision (v) of section 1224 of the tax law, as added by chapter 4 of the laws of 2003, is REPEALED.

§ 3. Section 1262-n of the tax law is REPEALED.

§ 4. Section 5 of chapter 4 of the laws of 2003, relating to authorizing Niagara county to impose an additional rate of sales and compensating use taxes, is REPEALED.

§ 5. Subparagraph (iii) of the opening paragraph of section 1210 of the tax law, as separately amended by chapters 67, 213 and 332 of the laws of 2015, is amended to read as follows:

(iii) the maximum rate referred to in section twelve hundred twenty-four of this article shall be calculated without reference to the following additional rates authorized in subparagraphs (i) and (ii) of this paragraph: one and one-half percent for the county of Allegany; one percent for the counties of Rensselaer, Erie, Cattaraugus, Wyoming, Ulster, Albany, Suffolk, Essex, Greene, Orleans, Franklin, Hamilton, Herkimer, Jefferson, Genesee, Columbia, Schuyler, Chenango, Monroe, Steuben, Chemung, Seneca, Livingston, [~~Niagara,~~] Yates, Tioga, Montgomery, Delaware, Wayne, Schoharie, Putnam, Clinton, St. Lawrence and Onondaga and the cities of Mount Vernon and New Rochelle; three-quarters of one percent for the counties of Dutchess, Lewis, and Orange; one percent and three-quarters of one percent or one-half of one percent for the

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

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county of Oneida; three-quarters of one percent and one-half of one percent for the county of Nassau; one-half of one percent and one-quarter of one percent and one-quarter of one percent for the city of White Plains; one-half or one percent for the county of Tompkins; three-eighths of one percent and five-eighths of one percent for the county of Rockland; one-half of one percent for the counties of Putnam and Schenectady; one-eighth of one percent and three-eighths of one percent for the county of Ontario; one-half of one percent and one-half of one percent for the county of Sullivan; one percent and one-half of one percent for the city of Yonkers; and three-quarters of one percent or one-half of one percent for the county of Chautauqua;

§ 6. Subdivision (a) of section 1223 of the tax law, as separately amended by chapters 191 and 217 of the laws of 2013, is amended to read as follows:

(a) No transaction taxable under sections twelve hundred two through twelve hundred four of this article shall be taxed pursuant to this article by any county or by any city located therein, or by both, at an aggregate rate in excess of the highest rate set forth in the applicable subdivision of section twelve hundred one of this article or, in the case of any taxes imposed pursuant to the authority of section twelve hundred ten or twelve hundred eleven of this article (other than taxes imposed by the county of Nassau, Erie, Steuben, Cattaraugus, Suffolk, Oneida, Genesee, Greene, Franklin, Hamilton, Herkimer, Tioga, Orleans, Allegany, Ulster, Albany, Rensselaer, Tompkins, Wyoming, Columbia, Schuyler, Rockland, Chenango, Monroe, Chemung, Seneca, Sullivan, Wayne, Livingston, Schenectady, Montgomery, Delaware, Clinton, [~~Niagara,~~] Yates, Lewis, Essex, Dutchess, Schoharie, Putnam, Chautauqua, Orange, Oswego, Ontario, Jefferson, St. Lawrence or Onondaga and by the county of Cortland and the city of Cortland and by the county of Broome and the city of Binghamton and by the county of Cayuga and the city of Auburn and by the county of Otsego and the city of Oneonta and by the county of Madison and the city of Oneida and by the county of Fulton and the city of Gloversville or the city of Johnstown as provided in section twelve hundred ten of this article) at a rate in excess of three percent, except that, in the city of Yonkers, in the city of Mount Vernon, in the city of New Rochelle, in the city of Fulton and in the city of Oswego, the rate may not be in excess of four percent and in the city of White Plains, the rate may not be in excess of four percent and except that in the city of Poughkeepsie in the county of Dutchess, if such county withdraws from the metropolitan commuter transportation district pursuant to section twelve hundred seventy-nine-b of the public authorities law and if the revenues from a three-eighths percent rate of such tax imposed by such county, pursuant to the authority of section twelve hundred ten of this article, are required by local laws, ordinances or resolutions to be set aside for mass transportation purposes, the rate may not be in excess of three and three-eighths percent.

§ 7. Notwithstanding any other law, rule or regulation to the contrary, expenses for Medicaid in the county of Niagara shall be borne by New York state.

§ 8. This act shall take effect immediately and shall apply in taxable years beginning on and after such date; provided, however, that the amendments made to subparagraph (iii) of the opening paragraph of section 1210 of the tax law, made by section five of this act, shall not affect the expiration and reversion of such paragraph and shall expire and revert therewith.