

STATE OF NEW YORK

7378

IN SENATE

January 22, 2020

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to extending the top state income tax rate; and to amend the state finance law, in relation to foundation aid funding

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

1 Section 1. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph
2 (B) of paragraph 1 of subsection (a) of section 601 of the tax law,
3 clauses (iv), (v), (vi) and (vii) as amended by section 1 of part P of
4 chapter 59 of the laws of 2019, and clause (viii) as added by section 1
5 of part R of chapter 59 of the laws of 2017, are amended to read as
6 follows:

7 (iv) For taxable years beginning in two thousand twenty-one the
8 following rates shall apply:

9 If the New York taxable income is:	The tax is:
10 Not over \$17,150	4% of the New York taxable income
11 Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
12	\$17,150
13 Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
14	\$23,600
15 Over \$27,900 but not over \$43,000	\$1,202 plus 5.9% of excess over
16	\$27,900
17 Over \$43,000 but not over \$161,550	\$2,093 plus 5.97% of excess over
18	\$43,000
19 Over \$161,550 but not over \$323,200	\$9,170 plus 6.33% of excess over
20	\$161,550
21 Over \$323,200 but not over	\$19,403 plus 6.85% of excess
22 [\$2,155,350] <u>\$1,000,000</u>	over \$323,200
23 <u>Over \$1,000,000 but not over</u>	<u>\$65,764 plus 9.62% of excess over</u>
24 <u>\$5,000,000</u>	<u>\$1,000,000</u>
25 <u>Over \$5,000,000 but not over</u>	<u>\$450,564 plus 10.32% of excess over</u>
26 <u>\$10,000,000</u>	<u>\$5,000,000</u>

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

LBD14887-02-0

1	<u>Over \$10,000,000 but not over</u>	<u>\$966,564 plus 11.32% of excess over</u>
2	<u>\$100,000,000</u>	<u>\$10,000,000</u>
3	Over [\$2,155,350	\$144,905 plus 8.82% of excess over
4		\$2,155,350]
5	<u>\$100,000,000</u>	<u>\$11,154,564 plus 11.82% of excess</u>
6		<u>over \$100,000,000</u>

(v) For taxable years beginning in two thousand twenty-two the following rates shall apply:

If the New York taxable income is:

The tax is:

10	Not over \$17,150	4% of the New York taxable income
11	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
12		\$17,150
13	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
14		\$23,600
15	Over \$27,900 but not over \$161,550	\$1,202 plus 5.85% of excess over
16		\$27,900
17	Over \$161,550 but not over \$323,200	\$9,021 plus 6.25% of excess over
18		\$161,550
19	Over \$323,200 but not over	\$19,124 plus
20	[\$2,155,350 <u>\$1,000,000</u>	6.85% of excess over \$323,200
21	<u>Over \$1,000,000 but not over</u>	<u>\$65,485 plus 9.62% of excess over</u>
22	<u>\$5,000,000</u>	<u>\$1,000,000</u>
23	<u>Over \$5,000,000 but not over</u>	<u>\$450,285 plus 10.32% of excess over</u>
24	<u>\$10,000,000</u>	<u>\$5,000,000</u>
25	<u>Over \$10,000,000 but not over</u>	<u>\$966,285 plus 11.32% of excess over</u>
26	<u>\$100,000,000</u>	<u>\$10,000,000</u>
27	Over [\$2,155,350	\$144,626 plus 8.82% of excess over
28		\$2,155,350]
29	<u>\$100,000,000</u>	<u>\$11,154,285 plus 11.85% of</u>
30		<u>excess over \$100,000,000</u>

(vi) For taxable years beginning in two thousand twenty-three the following rates shall apply:

If the New York taxable income is:

The tax is:

34	Not over \$17,150	4% of the New York taxable income
35	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
36		\$17,150
37	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
38		\$23,600
39	Over \$27,900 but not over \$161,550	\$1,202 plus 5.73% of excess over
40		\$27,900
41	Over \$161,550 but not over \$323,200	\$8,860 plus 6.17% of excess over
42		\$161,550
43	Over \$323,200 but not over	\$18,834 plus 6.85% of
44	[\$2,155,350 <u>\$1,000,000</u>	excess over \$323,200
45	<u>Over \$1,000,000 but not over</u>	<u>\$65,195 plus 9.62% of excess over</u>
46	<u>\$5,000,000</u>	<u>\$1,000,000</u>
47	<u>Over \$5,000,000 but not over</u>	<u>\$449,995 plus 10.32% of excess over</u>
48	<u>\$10,000,000</u>	<u>\$5,000,000</u>
49	<u>Over \$10,000,000 but not over</u>	<u>\$965,995 plus 11.32% of excess over</u>
50	<u>\$100,000,000</u>	<u>\$10,000,000</u>
51	Over [\$2,155,350	\$144,336 plus 8.82% of excess over
52		\$2,155,350]
53	<u>\$100,000,000</u>	<u>\$11,153,995 plus 11.82% of excess</u>
54		<u>over \$100,000,000</u>

(vii) For taxable years beginning in two thousand twenty-four the following rates shall apply:

1	If the New York taxable income is:	The tax is:
2	Not over \$17,150	4% of the New York taxable income
3	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
4		\$17,150
5	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
6		\$23,600
7	Over \$27,900 but not over \$161,550	\$1,202 plus 5.61% of excess over
8		\$27,900
9	Over \$161,550 but not over \$323,200	\$8,700 plus 6.09% of excess over
10		\$161,550
11	Over \$323,200 but not over	\$18,544 plus 6.85% of
12	[\$2,155,350] <u>\$1,000,000</u>	excess over \$323,200
13	<u>Over \$1,000,000 but not over</u>	<u>\$64,905 plus 9.62% of excess over</u>
14	<u>\$5,000,000</u>	<u>\$1,000,000</u>
15	<u>Over \$5,000,000 but not over</u>	<u>\$449,705 plus 10.32% of excess over</u>
16	<u>\$10,000,000</u>	<u>\$5,000,000</u>
17	<u>Over \$10,000,000 but not over</u>	<u>\$965,705 plus 11.32% of excess over</u>
18	<u>\$100,000,000</u>	<u>\$10,000,000</u>
19	Over [\$2,155,350]	\$144,047 plus 8.82% of excess over
20		\$2,155,350]
21	<u>\$100,000,000</u>	<u>\$11,153,705 plus 11.82% of excess</u>
22		<u>over \$100,000,000</u>
23	(viii) For taxable years beginning after two thousand twenty-four the	
24	following rates shall apply:	
25	If the New York taxable income is:	The tax is:
26	Not over \$17,150	4% of the New York taxable income
27	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
28		\$17,150
29	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
30		\$23,600
31	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
32		\$27,900
33	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess over
34		\$161,550
35	Over \$323,200 <u>but not over</u>	\$18,252 plus 6.85% of
36	<u>\$1,000,000</u>	excess over \$323,200
37	<u>Over \$1,000,000 but not over</u>	<u>\$64,613 plus 9.62% of excess over</u>
38	<u>\$5,000,000</u>	<u>\$1,000,000</u>
39	<u>Over \$5,000,000 but not over</u>	<u>\$449,413 plus 10.32% of excess over</u>
40	<u>\$10,000,000</u>	<u>\$5,000,000</u>
41	<u>Over \$10,000,000 but not over</u>	<u>\$965,413 plus 11.32% of excess over</u>
42	<u>\$100,000,000</u>	<u>\$10,000,000</u>
43	<u>Over \$100,000,000</u>	<u>\$11,152,554 plus 11.82% of excess</u>
44		<u>over \$100,000,000</u>
45	§ 2. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph (B) of	
46	paragraph 1 of subsection (b) of section 601 of the tax law, clauses	
47	(iv), (v), (vi) and (vii) as amended by section 2 of part P of chapter	
48	59 of the laws of 2019, and clause (viii) as added by section 2 of part	
49	R of chapter 59 of the laws of 2017, are amended to read as follows:	
50	(iv) For taxable years beginning in two thousand twenty-one the	
51	following rates shall apply:	
52	If the New York taxable income is:	The tax is:
53	Not over \$12,800	4% of the New York taxable income
54	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
55		\$12,800
56	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over

1		\$17,650
2	Over \$20,900 but not over \$32,200	\$901 plus 5.9% of excess over
3		\$20,900
4	Over \$32,200 but not over \$107,650	\$1,568 plus 5.97% of excess over
5		\$32,200
6	Over \$107,650 but not over \$269,300	\$6,072 plus 6.33% of excess over
7		\$107,650
8	Over \$269,300 but not over	\$16,304 plus 6.85% of
9	[\$1,616,450] <u>\$1,000,000</u>	excess over \$269,300
10	<u>Over \$1,000,000 but not over</u>	<u>\$66,357 plus 9.62% of excess over</u>
11	<u>\$5,000,000</u>	<u>\$1,000,000</u>
12	<u>Over \$5,000,000 but not over</u>	<u>\$451,157 plus 10.32% of excess over</u>
13	<u>\$10,000,000</u>	<u>\$5,000,000</u>
14	<u>Over \$10,000,000 but not over</u>	<u>\$967,157 plus 11.32% of excess over</u>
15	<u>\$100,000,000</u>	<u>\$10,000,000</u>
16	Over [\$1,616,450]	\$108,584 plus 8.82% of excess over
17		\$1,616,450]
18	<u>\$100,000,000</u>	<u>\$11,155,157 plus 11.82% of excess</u>
19		<u>over \$100,000,000</u>
20	(v) For taxable years beginning in two thousand twenty-two the follow-	
21	ing rates shall apply:	
22	If the New York taxable income is:	The tax is:
23	Not over \$12,800	4% of the New York taxable income
24	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
25		\$12,800
26	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
27		\$17,650
28	Over \$20,900 but not over \$107,650	\$901 plus 5.85% of excess over
29		\$20,900
30	Over \$107,650 but not over \$269,300	\$5,976 plus 6.25% of excess over
31		\$107,650
32	Over \$269,300 but not over	\$16,079 plus 6.85% of excess
33	[\$1,616,450] <u>\$1,000,000</u>	over \$269,300
34	<u>Over \$1,000,000 but not over</u>	<u>\$66,132 plus 9.62% of excess over</u>
35	<u>\$5,000,000</u>	<u>\$1,000,000</u>
36	<u>Over \$5,000,000 but not over</u>	<u>\$450,932 plus 10.32% of excess over</u>
37	<u>\$10,000,000</u>	<u>\$5,000,000</u>
38	<u>Over \$10,000,000 but not over</u>	<u>\$966,932 plus 11.32% of excess over</u>
39	<u>\$100,000,000</u>	<u>\$10,000,000</u>
40	Over [\$1,616,450]	\$108,359 plus 8.82% of excess over
41		\$1,616,450]
42	<u>\$100,000,000</u>	<u>\$11,154,932 plus 11.82% of excess</u>
43		<u>over \$100,000,000</u>
44	(vi) For taxable years beginning in two thousand twenty-three the	
45	following rates shall apply:	
46	If the New York taxable income is:	The tax is:
47	Not over \$12,800	4% of the New York taxable income
48	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
49		\$12,800
50	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
51		\$17,650
52	Over \$20,900 but not over \$107,650	\$901 plus 5.73% of excess over
53		\$20,900
54	Over \$107,650 but not over \$269,300	\$5,872 plus 6.17% of excess over

1		\$107,650
2	Over \$269,300 but not over	\$15,845 plus 6.85% of excess
3	[\$1,616,450] <u>\$1,000,000</u>	over \$269,300
4	<u>Over \$1,000,000 but not over</u>	<u>\$65,898 plus 9.62% of excess over</u>
5	<u>\$5,000,000</u>	<u>\$1,000,000</u>
6	<u>Over \$5,000,000 but not over</u>	<u>\$450,698 plus 10.32% of excess over</u>
7	<u>\$10,000,000</u>	<u>\$5,000,000</u>
8	<u>Over \$10,000,000 but not over</u>	<u>\$966,698 plus 11.32% of excess over</u>
9	<u>\$100,000,000</u>	<u>\$10,000,000</u>
10	Over [\$1,616,450]	\$108,125 plus 8.82% of excess over
11		\$1,616,450]
12	<u>\$100,000,000</u>	<u>\$11,154,698 plus 11.82% of excess</u>
13		<u>over \$100,000,000</u>
14	(vii) For taxable years beginning in two thousand twenty-four the	
15	following rates shall apply:	
16	If the New York taxable income is:	The tax is:
17	Not over \$12,800	4% of the New York taxable income
18	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
19		\$12,800
20	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
21		\$17,650
22	Over \$20,900 but not over \$107,650	\$901 plus 5.61% of excess over
23		\$20,900
24	Over \$107,650 but not over \$269,300	\$5,768 plus 6.09% of excess over
25		\$107,650
26	Over \$269,300 but not over	\$15,612 plus 6.85% of excess
27	[\$1,616,450] <u>\$1,000,000</u>	over \$269,300
28	<u>Over \$1,000,000 but not over</u>	<u>\$65,665 plus 9.62% of excess over</u>
29	<u>\$5,000,000</u>	<u>\$1,000,000</u>
30	<u>Over \$5,000,000 but not over</u>	<u>\$450,465 plus 10.32% of excess over</u>
31	<u>\$10,000,000</u>	<u>\$5,000,000</u>
32	<u>Over \$10,000,000 but not over</u>	<u>\$966,465 plus 11.32% of excess over</u>
33	<u>\$100,000,000</u>	<u>\$10,000,000</u>
34	Over [\$1,616,450]	\$107,892 plus 8.82% of excess over
35		\$1,616,450]
36	<u>\$100,000,000</u>	<u>\$11,154,465 plus 11.82% of excess</u>
37		<u>over \$100,000,000</u>
38	(viii) For taxable years beginning after two thousand twenty-four the	
39	following rates shall apply:	
40	If the New York taxable income is:	The tax is:
41	Not over \$12,800	4% of the New York taxable income
42	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
43		\$12,800
44	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
45		\$17,650
46	Over \$20,900 but not over \$107,650	\$901 plus 5.5% of excess over
47		\$20,900
48	Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over
49		\$107,650
50	Over \$269,300 <u>but not over</u>	\$15,371 plus 6.85% of
51	<u>\$1,000,000</u>	excess over \$269,300
52	<u>Over \$1,000,000 but not over</u>	<u>\$65,424 plus 9.62% of excess over</u>
53	<u>\$5,000,000</u>	<u>\$1,000,000</u>
54	<u>Over \$5,000,000 but not over</u>	<u>\$ 450,224 plus 10.32% of excess over</u>
55	<u>\$10,000,000</u>	<u>\$5,000,000</u>
56	<u>Over \$10,000,000 but not over</u>	<u>\$966,224 plus 11.32% of excess over</u>

1 \$100,000,000

2 Over \$100,000,000

\$10,000,000

\$11,154,224 plus 11.82% of excess
over \$100,000,000

3
4 § 3. Clauses (iv), (v), (vi), (vii) and (viii) of subparagraph (B) of
5 paragraph 1 of subsection (c) of section 601 of the tax law, clauses
6 (iv), (v), (vi) and (vii) as amended by section 3 of part P of chapter
7 59 of the laws of 2019, and clause (viii) as added by section 3 of part
8 R of chapter 59 of the laws of 2017, are amended to read as follows:

9 (iv) For taxable years beginning in two thousand twenty-one the
10 following rates shall apply:

11 If the New York taxable income is:

12 Not over \$8,500

13 Over \$8,500 but not over \$11,700

14 Over \$11,700 but not over \$13,900

15 Over \$13,900 but not over \$21,400

16 Over \$21,400 but not over \$80,650

17 Over \$80,650 but not over \$215,400

18 Over \$215,400 but not over

19 ~~[\$1,077,550]~~ \$1,000,000

20 Over \$1,000,000 but not over

21 \$5,000,000

22 Over \$5,000,000 but not over

23 \$10,000,000

24 Over \$10,000,000 but not over

25 \$100,000,000

26 Over ~~[\$1,077,550]~~

27 \$100,000,000

The tax is:

4% of the New York taxable income

\$340 plus 4.5% of excess over

\$8,500

\$484 plus 5.25% of excess over

\$11,700

\$600 plus 5.9% of excess over

\$13,900

\$1,042 plus 5.97% of excess over

\$21,400

\$4,579 plus 6.33% of excess over

\$80,650

\$13,109 plus 6.85% of excess

over \$215,400

\$66,855 plus 9.62% of excess over

\$1,000,000

\$451,655 plus 10.32% of excess over

\$5,000,000

\$967,655 plus 11.32% of excess over

\$10,000,000

~~\$72,166 plus 8.82% of excess over~~

~~\$1,077,550]~~

\$11,155,655 plus 11.82% of excess

over \$100,000,000

35 (v) For taxable years beginning in two thousand twenty-two the follow-
36 ing rates shall apply:

37 If the New York taxable income is:

38 Not over \$8,500

39 Over \$8,500 but not over \$11,700

40 Over \$11,700 but not over \$13,900

41 Over \$13,900 but not over \$80,650

42 Over \$80,650 but not over \$215,400

43 Over \$215,400 but not over

44 ~~[\$1,077,550]~~ \$1,000,000

45 Over \$1,000,000 but not over

46 \$5,000,000

47 Over \$5,000,000 but not over

48 \$10,000,000

49 Over \$10,000,000 but not over

50 \$100,000,000

51 Over ~~[\$1,077,550]~~

52 \$100,000,000

The tax is:

4% of the New York taxable income

\$340 plus 4.5% of excess over

\$8,500

\$484 plus 5.25% of excess over

\$11,700

\$600 plus 5.85% of excess over

\$13,900

\$4,504 plus 6.25% of excess over

\$80,650

\$12,926 plus 6.85% of excess

over \$215,400

\$66,672 plus 9.62% of excess over

\$1,000,000

\$451,472 plus 10.32% of excess over

\$5,000,000

\$967,472 plus 11.32% of excess over

\$10,000,000

~~\$71,984 plus 8.82% of excess over~~

~~\$1,077,550]~~

1 \$100,000,000

\$11,155,472 plus 11.82% of excess over \$100,000,000

2
3 (vi) For taxable years beginning in two thousand twenty-three the following rates shall apply:

4 If the New York taxable income is:

The tax is:

5 Not over \$8,500

4% of the New York taxable income

6 Over \$8,500 but not over \$11,700

\$340 plus 4.5% of excess over

7
8 Over \$11,700 but not over \$13,900

\$8,500

\$484 plus 5.25% of excess over

9
10 Over \$13,900 but not over \$80,650

\$11,700

\$600 plus 5.73% of excess over

11
12 Over \$80,650 but not over \$215,400

\$13,900

\$4,424 plus 6.17% of excess over

13
14 Over \$215,400 but not over

\$80,650

\$12,738 plus 6.85% of excess

15
16 [~~\$1,077,550~~] \$1,000,000

over \$215,400

17 Over \$1,000,000 but not over

\$66,484 plus 9.62% of excess over

18 \$5,000,000

\$1,000,000

19 Over \$5,000,000 but not over

\$ 451,284 plus 10.32% of excess over

20 \$10,000,000

\$5,000,000

21 Over \$10,000,000 but not over

\$967,284 plus 11.32% of excess over

22 \$100,000,000

\$10,000,000

23 Over [~~\$1,077,550~~

~~\$71,796 plus 8.82% of excess over~~

24 \$100,000,000

~~\$1,077,550]~~

\$11,155,284 plus 11.82% of excess

over \$100,000,000

25
26 (vii) For taxable years beginning in two thousand twenty-four the following rates shall apply:

27 If the New York taxable income is:

The tax is:

28 Not over \$8,500

4% of the New York taxable income

29 Over \$8,500 but not over \$11,700

\$340 plus 4.5% of excess over

30
31 Over \$11,700 but not over \$13,900

\$8,500

\$484 plus 5.25% of excess over

32
33 Over \$13,900 but not over \$80,650

\$11,700

\$600 plus 5.61% of excess over

34
35 Over \$80,650 but not over \$215,400

\$13,900

\$4,344 plus 6.09% of excess over

36
37 Over \$215,400 but not over

\$80,650

\$12,550 plus 6.85% of excess

38
39 [~~\$1,077,550~~] \$1,000,000

over \$215,400

40 Over \$1,000,000 but not over

\$66,296 plus 9.62% of excess over

41 \$5,000,000

\$1,000,000

42 Over \$5,000,000 but not over

\$ 451,096 plus 10.32% of excess over

43 \$10,000,000

\$5,000,000

44 Over \$10,000,000 but not over

\$967,096 plus 11.32% of excess over

45 \$100,000,000

\$10,000,000

46 Over [~~\$1,077,550~~

~~\$71,608 plus 8.82% of excess over~~

47 \$100,000,000

~~\$1,077,550]~~

\$11,155,096 plus 11.82% of excess

over \$100,000,000

48
49 (viii) For taxable years beginning after two thousand twenty-four the following rates shall apply:

50 If the New York taxable income is:

The tax is:

51 Not over \$8,500

4% of the New York taxable income

52 Over \$8,500 but not over \$11,700

\$340 plus 4.5% of excess over

1		\$8,500
2	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
3		\$11,700
4	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
5		\$13,900
6	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess over
7		\$80,650
8	Over \$215,400 <u>but not over</u>	\$12,356 plus 6.85% of
9	<u>\$1,000,000</u>	excess over \$215,400
10	<u>Over \$1,000,000 but not over</u>	<u>\$66,102 plus 9.62% of excess over</u>
11	<u>\$5,000,000</u>	<u>\$1,000,000</u>
12	<u>Over \$5,000,000 but not over</u>	<u>\$450,902 plus 10.32% of excess over</u>
13	<u>\$10,000,000</u>	<u>\$5,000,000</u>
14	<u>Over \$10,000,000 but not over</u>	<u>\$966,902 plus 11.32% of excess over</u>
15	<u>\$100,000,000</u>	<u>\$10,000,000</u>
16	<u>Over \$100,000,000</u>	<u>\$11,154,902 plus 11.82% of excess</u>
17		<u>over \$100,000,000</u>

18 § 4. Section 171-a of the tax law, as separately amended by chapters
 19 481 and 484 of the laws of 1981, is amended by adding a new subdivision
 20 3 to read as follows:

21 3. Notwithstanding subdivision one of this section or any other
 22 provision of law to the contrary, any increase in the taxes imposed
 23 pursuant to section six hundred one of this chapter attributable to the
 24 difference in the rate of such taxes for taxable years beginning in and
 25 after two thousand twenty-one and the rate of such taxes for taxable
 26 years beginning in two thousand twenty shall be deposited in the state
 27 lottery fund, created pursuant to section ninety-two-c of the state
 28 finance law, as such taxes are received. The amount for administrative
 29 costs shall be determined by the commissioner to represent reasonable
 30 costs of the department in administering, collecting, determining and
 31 distributing such taxes. Of the total revenue collected or received
 32 under such sections of this chapter, the comptroller shall retain in his
 33 hands such amount as the commissioner may determine to be necessary for
 34 refunds or reimbursements under such sections of this chapter out of
 35 which amount the comptroller shall pay any refunds or reimbursements to
 36 which taxpayers shall be entitled under provisions of such sections. The
 37 commissioner and the comptroller shall maintain a system of accounts
 38 showing the amount of revenue collected or received from each of the
 39 taxes imposed by such sections.

40 § 5. Section 92-c of the state finance law is amended by adding a new
 41 subdivision 3-a to read as follows:

42 3-a. Moneys in such fund deposited pursuant to the provisions of
 43 subdivision three of section one hundred seventy-one-a of the tax law
 44 shall be appropriated or transferred only for foundation aid pursuant to
 45 section thirty-six hundred two of the education law.

46 § 6. This act shall take effect immediately, provided, however, that
 47 section four of this act shall take effect January 1, 2021 and shall
 48 apply to taxable years beginning on and after such date.