STATE OF NEW YORK

8832

IN SENATE

July 20, 2020

Introduced by Sen. LIU -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the tax law, in relation to use of electronic signatures on certain records collected by tax return preparers; and to repeal certain provisions of the tax law relating thereto

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

Section 1. Paragraph 2 of subsection (a) of section 653 of the tax law is REPEALED.

§ 2. The tax law is amended by adding a new section 171-aa to read as follows:

§ 171-aa. E-file authorizations collected by tax return preparers. (a) For purposes of this section, the following terms have the following meanings:

(1) "E-file authorization" is a record collected by a tax return preparer.

(2) "Electronic signature" has the definition set forth in the electronic signatures and records act of the state technology law.

(3) "Electronic means" is use of computer technology.

(4) "Tax" means any tax or other matter administered by the commissioner pursuant to this chapter or any other provision of law.

(5) "Tax document" means a return, report or any other document relating to a tax or other matter administered by the commissioner.

(6) "Tax return preparer" means any person who prepares for compensation, or who employs or engages one or more persons to prepare for compensation, any tax document. For purposes of this section, the term "tax return preparer" also includes a payroll service.

(b) If a tax document is authorized by the commissioner to be filed electronically, then any associated e-file authorization prescribed by the commissioner may be signed using an electronic signature compliant with any instructions prescribed by the commissioner.

(c) An e-file authorization signed electronically in the manner set forth in subsection (b) of this section shall have the same force and effect as a handwritten signature and may be provided to a tax preparer by electronic means.

§ 3. This act shall take effect immediately.

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

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