

STATE OF NEW YORK

8016

2019-2020 Regular Sessions

IN ASSEMBLY

May 30, 2019

Introduced by M. of A. JEAN-PIERRE -- read once and referred to the
Committee on Ways and Means

AN ACT to amend the tax law and the state finance law, in relation to
authorizing funds to be transferred to the public transportation
system operating assistance account and the metropolitan mass trans-
portation operating assistance account

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

1 Section 1. Subdivision 1 of section 171-a of the tax law, as amended
2 by section 3 of part MM of chapter 59 of the laws of 2018, is amended to
3 read as follows:
4 1. All taxes, interest, penalties and fees collected or received by
5 the commissioner or the commissioner's duly authorized agent under arti-
6 cles nine (except section one hundred eighty-two-a thereof and except as
7 otherwise provided in section two hundred five thereof), nine-A,
8 twelve-A (except as otherwise provided in section two hundred eighty-
9 four-d thereof), thirteen, thirteen-A (except as otherwise provided in
10 section three hundred twelve thereof), eighteen, nineteen, twenty
11 (except as otherwise provided in section four hundred eighty-two there-
12 of), twenty-B, twenty-one, twenty-two, twenty-four, twenty-six, twenty-
13 eight (except as otherwise provided in section eleven hundred two or
14 eleven hundred three thereof), twenty-eight-A, [~~twenty-nine-B,~~] thirty-
15 one (except as otherwise provided in section fourteen hundred twenty-one
16 thereof), thirty-three and thirty-three-A of this chapter shall be
17 deposited daily in one account with such responsible banks, banking
18 houses or trust companies as may be designated by the comptroller, to
19 the credit of the comptroller. Such an account may be established in one
20 or more of such depositories. Such deposits shall be kept separate and
21 apart from all other money in the possession of the comptroller. The
22 comptroller shall require adequate security from all such depositories.
23 Of the total revenue collected or received under such articles of this

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

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1 chapter, the comptroller shall retain in the comptroller's hands such
2 amount as the commissioner may determine to be necessary for refunds or
3 reimbursements under such articles of this chapter out of which amount
4 the comptroller shall pay any refunds or reimbursements to which taxpay-
5 ers shall be entitled under the provisions of such articles of this
6 chapter. The commissioner and the comptroller shall maintain a system of
7 accounts showing the amount of revenue collected or received from each
8 of the taxes imposed by such articles. The comptroller, after reserving
9 the amount to pay such refunds or reimbursements, shall, on or before
10 the tenth day of each month, pay into the state treasury to the credit
11 of the general fund all revenue deposited under this section during the
12 preceding calendar month and remaining to the comptroller's credit on
13 the last day of such preceding month, (i) except that the comptroller
14 shall pay to the state department of social services that amount of
15 overpayments of tax imposed by article twenty-two of this chapter and
16 the interest on such amount which is certified to the comptroller by the
17 commissioner as the amount to be credited against past-due support
18 pursuant to subdivision six of section one hundred seventy-one-c of this
19 article, (ii) and except that the comptroller shall pay to the New York
20 state higher education services corporation and the state university of
21 New York or the city university of New York respectively that amount of
22 overpayments of tax imposed by article twenty-two of this chapter and
23 the interest on such amount which is certified to the comptroller by the
24 commissioner as the amount to be credited against the amount of defaults
25 in repayment of guaranteed student loans and state university loans or
26 city university loans pursuant to subdivision five of section one
27 hundred seventy-one-d and subdivision six of section one hundred seven-
28 ty-one-e of this article, (iii) and except further that, notwithstanding
29 any law, the comptroller shall credit to the revenue arrearage account,
30 pursuant to section ninety-one-a of the state finance law, that amount
31 of overpayment of tax imposed by article nine, nine-A, twenty-two, thir-
32 ty, thirty-A, thirty-B or thirty-three of this chapter, and any interest
33 thereon, which is certified to the comptroller by the commissioner as
34 the amount to be credited against a past-due legally enforceable debt
35 owed to a state agency pursuant to paragraph (a) of subdivision six of
36 section one hundred seventy-one-f of this article, provided, however, he
37 shall credit to the special offset fiduciary account, pursuant to
38 section ninety-one-c of the state finance law, any such amount credita-
39 ble as a liability as set forth in paragraph (b) of subdivision six of
40 section one hundred seventy-one-f of this article, (iv) and except
41 further that the comptroller shall pay to the city of New York that
42 amount of overpayment of tax imposed by article nine, nine-A, twenty-
43 two, thirty, thirty-A, thirty-B or thirty-three of this chapter and any
44 interest thereon that is certified to the comptroller by the commission-
45 er as the amount to be credited against city of New York tax warrant
46 judgment debt pursuant to section one hundred seventy-one-l of this
47 article, (v) and except further that the comptroller shall pay to a
48 non-obligated spouse that amount of overpayment of tax imposed by arti-
49 cle twenty-two of this chapter and the interest on such amount which has
50 been credited pursuant to section one hundred seventy-one-c, one hundred
51 seventy-one-d, one hundred seventy-one-e, one hundred seventy-one-f or
52 one hundred seventy-one-l of this article and which is certified to the
53 comptroller by the commissioner as the amount due such non-obligated
54 spouse pursuant to paragraph six of subsection (b) of section six
55 hundred fifty-one of this chapter; and (vi) the comptroller shall deduct
56 a like amount which the comptroller shall pay into the treasury to the

1 credit of the general fund from amounts subsequently payable to the
2 department of social services, the state university of New York, the
3 city university of New York, or the higher education services corpo-
4 ration, or the revenue arrearage account or special offset fiduciary
5 account pursuant to section ninety-one-a or ninety-one-c of the state
6 finance law, as the case may be, whichever had been credited the amount
7 originally withheld from such overpayment, and (vii) with respect to
8 amounts originally withheld from such overpayment pursuant to section
9 one hundred seventy-one-l of this article and paid to the city of New
10 York, the comptroller shall collect a like amount from the city of New
11 York.

12 § 2. Subdivision 1 of section 171-a of the tax law, as amended by
13 section 3 of part XX of chapter 59 of the laws of 2019, is amended to
14 read as follows:

15 1. All taxes, interest, penalties and fees collected or received by
16 the commissioner or the commissioner's duly authorized agent under arti-
17 cles nine (except section one hundred eighty-two-a thereof and except as
18 otherwise provided in section two hundred five thereof), nine-A,
19 twelve-A (except as otherwise provided in section two hundred eighty-
20 four-d thereof), thirteen, thirteen-A (except as otherwise provided in
21 section three hundred twelve thereof), eighteen, nineteen, twenty
22 (except as otherwise provided in section four hundred eighty-two there-
23 of), twenty-B, twenty-D, twenty-one, twenty-two, twenty-four, twenty-
24 six, twenty-eight (except as otherwise provided in section eleven
25 hundred two or eleven hundred three thereof), twenty-eight-A, [~~twenty-~~
26 ~~nine-B,~~] thirty-one (except as otherwise provided in section fourteen
27 hundred twenty-one thereof), thirty-three and thirty-three-A of this
28 chapter shall be deposited daily in one account with such responsible
29 banks, banking houses or trust companies as may be designated by the
30 comptroller, to the credit of the comptroller. Such an account may be
31 established in one or more of such depositories. Such deposits shall be
32 kept separate and apart from all other money in the possession of the
33 comptroller. The comptroller shall require adequate security from all
34 such depositories. Of the total revenue collected or received under such
35 articles of this chapter, the comptroller shall retain in the comp-
36 troller's hands such amount as the commissioner may determine to be
37 necessary for refunds or reimbursements under such articles of this
38 chapter out of which amount the comptroller shall pay any refunds or
39 reimbursements to which taxpayers shall be entitled under the provisions
40 of such articles of this chapter. The commissioner and the comptroller
41 shall maintain a system of accounts showing the amount of revenue
42 collected or received from each of the taxes imposed by such articles.
43 The comptroller, after reserving the amount to pay such refunds or
44 reimbursements, shall, on or before the tenth day of each month, pay
45 into the state treasury to the credit of the general fund all revenue
46 deposited under this section during the preceding calendar month and
47 remaining to the comptroller's credit on the last day of such preceding
48 month, (i) except that the comptroller shall pay to the state department
49 of social services that amount of overpayments of tax imposed by article
50 twenty-two of this chapter and the interest on such amount which is
51 certified to the comptroller by the commissioner as the amount to be
52 credited against past-due support pursuant to subdivision six of section
53 one hundred seventy-one-c of this article, (ii) and except that the
54 comptroller shall pay to the New York state higher education services
55 corporation and the state university of New York or the city university
56 of New York respectively that amount of overpayments of tax imposed by

1 article twenty-two of this chapter and the interest on such amount which
2 is certified to the comptroller by the commissioner as the amount to be
3 credited against the amount of defaults in repayment of guaranteed
4 student loans and state university loans or city university loans pursu-
5 ant to subdivision five of section one hundred seventy-one-d and subdivi-
6 sion six of section one hundred seventy-one-e of this article, (iii)
7 and except further that, notwithstanding any law, the comptroller shall
8 credit to the revenue arrearage account, pursuant to section
9 ninety-one-a of the state finance law, that amount of overpayment of tax
10 imposed by article nine, nine-A, twenty-two, thirty, thirty-A, thirty-B
11 or thirty-three of this chapter, and any interest thereon, which is
12 certified to the comptroller by the commissioner as the amount to be
13 credited against a past-due legally enforceable debt owed to a state
14 agency pursuant to paragraph (a) of subdivision six of section one
15 hundred seventy-one-f of this article, provided, however, he shall cred-
16 it to the special offset fiduciary account, pursuant to section ninety-
17 one-c of the state finance law, any such amount creditable as a liabil-
18 ity as set forth in paragraph (b) of subdivision six of section one
19 hundred seventy-one-f of this article, (iv) and except further that the
20 comptroller shall pay to the city of New York that amount of overpayment
21 of tax imposed by article nine, nine-A, twenty-two, thirty, thirty-A,
22 thirty-B or thirty-three of this chapter and any interest thereon that
23 is certified to the comptroller by the commissioner as the amount to be
24 credited against city of New York tax warrant judgment debt pursuant to
25 section one hundred seventy-one-l of this article, (v) and except
26 further that the comptroller shall pay to a non-obligated spouse that
27 amount of overpayment of tax imposed by article twenty-two of this chap-
28 ter and the interest on such amount which has been credited pursuant to
29 section one hundred seventy-one-c, one hundred seventy-one-d, one
30 hundred seventy-one-e, one hundred seventy-one-f or one hundred seven-
31 ty-one-l of this article and which is certified to the comptroller by
32 the commissioner as the amount due such non-obligated spouse pursuant to
33 paragraph six of subsection (b) of section six hundred fifty-one of this
34 chapter; and (vi) the comptroller shall deduct a like amount which the
35 comptroller shall pay into the treasury to the credit of the general
36 fund from amounts subsequently payable to the department of social
37 services, the state university of New York, the city university of New
38 York, or the higher education services corporation, or the revenue
39 arrearage account or special offset fiduciary account pursuant to
40 section ninety-one-a or ninety-one-c of the state finance law, as the
41 case may be, whichever had been credited the amount originally withheld
42 from such overpayment, and (vii) with respect to amounts originally
43 withheld from such overpayment pursuant to section one hundred seventy-
44 one-l of this article and paid to the city of New York, the comptroller
45 shall collect a like amount from the city of New York.

46 § 3. Subdivision 1 of section 171-a of the tax law, as amended by
47 section 4 of part XX of chapter 59 of the laws of 2019, is amended to
48 read as follows:

49 1. All taxes, interest, penalties and fees collected or received by
50 the commissioner or the commissioner's duly authorized agent under arti-
51 cles nine (except section one hundred eighty-two-a thereof and except as
52 otherwise provided in section two hundred five thereof), nine-A,
53 twelve-A (except as otherwise provided in section two hundred eighty-
54 four-d thereof), thirteen, thirteen-A (except as otherwise provided in
55 section three hundred twelve thereof), eighteen, nineteen, twenty
56 (except as otherwise provided in section four hundred eighty-two there-

1 of), twenty-D, twenty-one, twenty-two, twenty-four, twenty-six, twenty-
2 eight (except as otherwise provided in section eleven hundred two or
3 eleven hundred three thereof), twenty-eight-A, [~~twenty-nine-B,~~] thirty-
4 one (except as otherwise provided in section fourteen hundred twenty-one
5 thereof), thirty-three and thirty-three-A of this chapter shall be
6 deposited daily in one account with such responsible banks, banking
7 houses or trust companies as may be designated by the comptroller, to
8 the credit of the comptroller. Such an account may be established in one
9 or more of such depositories. Such deposits shall be kept separate and
10 apart from all other money in the possession of the comptroller. The
11 comptroller shall require adequate security from all such depositories.
12 Of the total revenue collected or received under such articles of this
13 chapter, the comptroller shall retain in the comptroller's hands such
14 amount as the commissioner may determine to be necessary for refunds or
15 reimbursements under such articles of this chapter out of which amount
16 the comptroller shall pay any refunds or reimbursements to which taxpay-
17 ers shall be entitled under the provisions of such articles of this
18 chapter. The commissioner and the comptroller shall maintain a system of
19 accounts showing the amount of revenue collected or received from each
20 of the taxes imposed by such articles. The comptroller, after reserving
21 the amount to pay such refunds or reimbursements, shall, on or before
22 the tenth day of each month, pay into the state treasury to the credit
23 of the general fund all revenue deposited under this section during the
24 preceding calendar month and remaining to the comptroller's credit on
25 the last day of such preceding month, (i) except that the comptroller
26 shall pay to the state department of social services that amount of
27 overpayments of tax imposed by article twenty-two of this chapter and
28 the interest on such amount which is certified to the comptroller by the
29 commissioner as the amount to be credited against past-due support
30 pursuant to subdivision six of section one hundred seventy-one-c of this
31 article, (ii) and except that the comptroller shall pay to the New York
32 state higher education services corporation and the state university of
33 New York or the city university of New York respectively that amount of
34 overpayments of tax imposed by article twenty-two of this chapter and
35 the interest on such amount which is certified to the comptroller by the
36 commissioner as the amount to be credited against the amount of defaults
37 in repayment of guaranteed student loans and state university loans or
38 city university loans pursuant to subdivision five of section one
39 hundred seventy-one-d and subdivision six of section one hundred seven-
40 ty-one-e of this article, (iii) and except further that, notwithstanding
41 any law, the comptroller shall credit to the revenue arrearage account,
42 pursuant to section ninety-one-a of the state finance law, that amount
43 of overpayment of tax imposed by article nine, nine-A, twenty-two, thir-
44 ty, thirty-A, thirty-B or thirty-three of this chapter, and any interest
45 thereon, which is certified to the comptroller by the commissioner as
46 the amount to be credited against a past-due legally enforceable debt
47 owed to a state agency pursuant to paragraph (a) of subdivision six of
48 section one hundred seventy-one-f of this article, provided, however, he
49 shall credit to the special offset fiduciary account, pursuant to
50 section ninety-one-c of the state finance law, any such amount credita-
51 ble as a liability as set forth in paragraph (b) of subdivision six of
52 section one hundred seventy-one-f of this article, (iv) and except
53 further that the comptroller shall pay to the city of New York that
54 amount of overpayment of tax imposed by article nine, nine-A, twenty-
55 two, thirty, thirty-A, thirty-B or thirty-three of this chapter and any
56 interest thereon that is certified to the comptroller by the commission-

1 er as the amount to be credited against city of New York tax warrant
2 judgment debt pursuant to section one hundred seventy-one-l of this
3 article, (v) and except further that the comptroller shall pay to a
4 non-obligated spouse that amount of overpayment of tax imposed by arti-
5 cle twenty-two of this chapter and the interest on such amount which has
6 been credited pursuant to section one hundred seventy-one-c, one hundred
7 seventy-one-d, one hundred seventy-one-e, one hundred seventy-one-f or
8 one hundred seventy-one-l of this article and which is certified to the
9 comptroller by the commissioner as the amount due such non-obligated
10 spouse pursuant to paragraph six of subsection (b) of section six
11 hundred fifty-one of this chapter; and (vi) the comptroller shall deduct
12 a like amount which the comptroller shall pay into the treasury to the
13 credit of the general fund from amounts subsequently payable to the
14 department of social services, the state university of New York, the
15 city university of New York, or the higher education services corpo-
16 ration, or the revenue arrearage account or special offset fiduciary
17 account pursuant to section ninety-one-a or ninety-one-c of the state
18 finance law, as the case may be, whichever had been credited the amount
19 originally withheld from such overpayment, and (vii) with respect to
20 amounts originally withheld from such overpayment pursuant to section
21 one hundred seventy-one-l of this article and paid to the city of New
22 York, the comptroller shall collect a like amount from the city of New
23 York.

24 § 4. Section 1298 of the tax law, as added by section 18 of part AAA
25 of chapter 59 of the laws of 2017, is amended to read as follows:

26 § 1298. Deposit and disposition of revenue. (a) All taxes, fees,
27 interest and penalties collected or received by the commissioner under
28 this article shall be deposited [~~and disposed of pursuant to the~~
29 ~~provisions of section one hundred seventy-one-a of this chapter~~] daily
30 with such responsible banks, banking houses or trust companies, as may
31 be designated by the comptroller, to the credit of the comptroller for
32 disposal pursuant to section eighty-eight-a of the state finance law. An
33 account may be established in one or more such depositories. The comp-
34 troller shall require adequate security from all such depositories. Of
35 the total revenue collected or received under this article, the comp-
36 troller shall retain such amount as the commissioner may determine to be
37 necessary for refunds under this article. The commissioner is authorized
38 and directed to deduct from the amounts it receives under this article,
39 before deposit into the trust accounts designated by the comptroller, a
40 reasonable amount necessary to effectuate refunds of appropriations of
41 the department to reimburse the department for the costs incurred to
42 administer, collect and distribute the taxes imposed by this article.

43 (b) On or before the twelfth and twenty-sixth day of each succeeding
44 month, after reserving such amount for such refunds and deducting such
45 amounts for such costs, as provided for in subdivision (a) of this
46 section, the commissioner shall certify to the comptroller the amount of
47 all revenues so received during the prior month as a result of the
48 taxes, fees, interest and penalties so imposed. The amount of revenues
49 so certified shall be paid over by the fifteenth and the final business
50 day of each succeeding month from such account into the mass transporta-
51 tion operating assistance fund for payment pursuant to paragraph (d) of
52 subdivision five or paragraph (c) of subdivision seven of section eight-
53 ty-eight-a of the state finance law.

54 (c) The commissioner and comptroller are authorized to consult with
55 the director of the division of budget and the commissioner of transpor-
56 tation in determining which account of the mass transportation operating

1 assistance fund to deposit and dispose of revenues collected or received
2 under this article.

3 § 5. Paragraph (a) of subdivision 5 of section 88-a of the state
4 finance law, as added by chapter 481 of the laws of 1981, is amended and
5 a new paragraph (d) is added to read as follows:

6 (a) The "public transportation systems operating assistance account"
7 shall consist of revenues required to be deposited therein pursuant to
8 the provisions of section one hundred eighty-two-a of the tax law,
9 section twelve hundred ninety-eight of the tax law and all other moneys
10 credited or transferred thereto from any other fund or source pursuant
11 to law.

12 (d) (i) The comptroller is hereby authorized and directed to transfer
13 the taxes, fees, interest and penalties collected or received pursuant
14 to article twenty-nine-B of the tax law on TNC prearranged trips origi-
15 nating outside the metropolitan transportation commuter district to the
16 public transportation system operating assistance account established
17 under this subdivision. These transfers shall not be included for
18 purposes of calculating the sales tax growth factor established in para-
19 graph (c) of this subdivision, and shall supplement the additional
20 transfers indexed to the sales tax growth factor required under this
21 subdivision. Transfers provided under this paragraph shall not be used
22 to offset reduced transfers under paragraph (c) of this subdivision.

23 (ii) The comptroller is authorized to consult with the director of the
24 division of budget and the commissioner of transportation in determining
25 whether to transfer the taxes, fees, interest and penalties collected or
26 received to the public transportation system operating account.

27 (iii) Notwithstanding paragraph (b) of this subdivision, the comp-
28 troller is authorized to withhold the transfer of taxes, fees, interest
29 and penalties collected or received pursuant to article twenty-nine-B of
30 the tax law from public transportation systems eligible to receive oper-
31 ating assistance pursuant to section eighteen-b of the transportation
32 law in the event that a county or municipality reduces its annual oper-
33 ating payments to a public transportation system or mass transportation
34 service. The comptroller is further authorized to consult with the
35 director of the division of budget and the commissioner of transporta-
36 tion in making that determination.

37 § 6. Subdivision 7 of section 88-a of the state finance law is amended
38 by adding a new paragraph (c) to read as follows:

39 (c)(i) The comptroller is hereby authorized and directed to transfer
40 the taxes, fees, interest and penalties collected or received pursuant
41 to article twenty-nine-B of the tax law on TNC prearranged trips origi-
42 nating outside of the city of New York within the metropolitan transpor-
43 tation commuter district to the metropolitan mass transportation operat-
44 ing assistance account. Transfers provided under this paragraph shall
45 supplement the aggregate amount of funds appropriated and disbursed from
46 the metropolitan mass transportation operating assistance account for
47 the state fiscal year ending March thirty-first, two thousand twenty.
48 Provided, further, that the director of the division of budget shall not
49 withhold an additional percentage of disbursements relative to the
50 enacted budget financial plan for the state fiscal year ending March
51 thirty-first, two thousand twenty from metropolitan mass transportation
52 operating assistance account revenues generated in subsequent fiscal
53 years.

54 (ii) Provided, further, that taxes, fees, interest and penalties
55 transferred pursuant to subparagraph (i) of this paragraph shall only be
56 distributed to public transportation systems providing mass transporta-

1 tion services outside the city of New York. For purposes of this subpar-
2 agraph, mass transportation services provided outside the city of New
3 York shall include commuter rail provided in the metropolitan transpor-
4 tation commuter district. Taxes, fees, interest and penalties shall be
5 transferred in proportion to the location where the prearranged trip
6 originated, provided that fifty percent of transfers shall be disbursed to commu-
7 ter rail in localities where both mass transportation services are
8 provided. The comptroller is authorized to consult with the commissioner
9 of taxation and finance, the director of the division of budget and the
10 commissioner of transportation in determining the appropriate public
11 transportation systems and mass transportation services that should
12 receive the transfers.

13 (iii) Notwithstanding paragraph (b) of this subdivision, the comp-
14 troller is authorized to withhold the transfer of taxes, fees, interest
15 and penalties collected or received pursuant to article twenty-nine-B of
16 the tax law from public transportation systems eligible to receive oper-
17 ating assistance pursuant to section eighteen-b of the transportation
18 law in the event that a county or municipality reduces its annual oper-
19 ating payments to a public transportation system or mass transportation
20 service. The comptroller is further authorized to consult with the
21 director of the division of budget and the commissioner of transporta-
22 tion in making that determination.

23 § 7. This act shall take effect on the first of July next succeeding
24 the date on which it shall have become a law; provided, however, that if
25 part XX of chapter 59 of the laws of 2019 shall not have taken effect on
26 or before such date, then section two shall take effect on the same date
27 and in the same manner as part XX of chapter 59 of the laws of 2019
28 takes effect; and provided further, however, that the amendments to
29 subdivision 1 of section 171-a of the tax law made by section two of
30 this act shall be subject to the expiration of such subdivision pursuant
31 to section 12 of chapter 90 of the laws of 2014, when upon such date the
32 provisions of section three of this act shall take effect. Effective
33 immediately, the addition, amendment and/or repeal of any rule or regu-
34 lation necessary for the implementation of this act on its effective
35 date are authorized to be made and completed on or before such effective
36 date.
37