

STATE OF NEW YORK

4156

2019-2020 Regular Sessions

IN SENATE

March 1, 2019

Introduced by Sen. FUNKE -- 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 disposition of revenue from new taxes and tax increases to reduce local real property tax levies

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

1 Section 1. Section 171-a of the tax law, as separately amended by
2 chapters 481 and 484 of the laws of 1981, is amended by adding a new
3 subdivision 3 to read as follows:

4 3. Any amounts received from taxes, interest and penalties collected
5 or received by the commissioner or the commissioner's duly authorized
6 agent as set forth and prescribed by subdivision one of this section,
7 which are attributable to an increase in the rate of such taxes over any
8 rates which were in effect on the effective date of this subdivision, or
9 the imposition of new taxes which were not imposed prior to such effec-
10 tive date, shall be deposited to the tax reduction utilization security
11 target fund established by section fifty-four-n of the state finance
12 law. The tax commissioner and the comptroller shall maintain a system of
13 accounts showing the amount of revenue collected or received from each
14 of the taxes imposed by the sections enumerated in subdivision one of
15 this section which represent such increased amounts or which were first
16 imposed after the effective date of this subdivision.

17 § 2. The state finance law is amended by adding a new section 54-n to
18 read as follows:

19 § 54-n. Tax reduction utilization security target fund. 1. Beginning
20 April first, two thousand twenty, and annually thereafter, each city,
21 village and town outside a village shall receive an appropriation of
22 state funds from amounts resulting from the increase or imposition of

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

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1 additional taxes as determined by subdivision three of section one
2 hundred seventy-one-a of the tax law.

3 2. The amount appropriated to each municipality shall be the entire
4 amount under subdivision three of section one hundred seventy-one-a of
5 the tax law multiplied by the proportion which the full value of the
6 city, village or town outside a village bears to the full value of the
7 state taken as a whole. "Full value" means for each city, village and
8 town outside a village an amount equal to the total taxable assessed
9 value of property on the most recently completed assessment roll as
10 filed with the state comptroller divided by the final state equalization
11 rate established for such roll by the commissioner of taxation and
12 finance.

13 3. Payments made to cities, villages and towns pursuant to this
14 section shall be used to reduce each municipality's real property tax
15 levy. After the initial determination of the annual tax levy, the
16 assessor shall deduct the amount paid to the municipality and shall
17 adjust the tax levy before filing the warrant pursuant to section nine
18 hundred four of the real property tax law.

19 4. Payments made pursuant to this section shall be made on or before
20 June thirtieth of each state fiscal year to the chief fiscal officer of
21 each city, village and town on audit and warrant of the state comp-
22 troller out of moneys appropriated by the legislature for such purpose
23 to the credit of the local assistance fund in the general fund of the
24 state treasury.

25 § 3. This act shall take effect on the first of January next succeed-
26 ing the date on which it shall have become a law.