STATE OF NEW YORK

10487

IN ASSEMBLY

May 27, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Weinstein) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to application of a lien or pledge for the benefit of certain bondholders to amounts withheld from certain taxes, penalties and interest imposed by the city of New York

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

Section 1. Subparagraph (ii) of paragraph 5 of subdivision (c) of section 1261 of the tax law, as amended by section 2 of part RR of chapter 57 of the laws of 2022, is amended to read as follows:

(ii) After withholding the taxes, penalties and interest imposed by the city of New York on and after August first, two thousand eight as provided in subparagraph (i) of this paragraph, **and subject to any lien or pledge for the benefit of bondholders of the New York city transitional finance authority,** the comptroller shall withhold a portion of such taxes, penalties and interest sufficient to deposit annually into the central business district tolling capital lockbox established pursuant to section five hundred fifty-three-j of the public authorities law: (A) in state fiscal year two thousand nineteen - two thousand twenty, one hundred twenty-seven million five hundred thousand dollars; (B) in state fiscal year two thousand twenty - two thousand twenty-one, one hundred seventy million dollars; (C) in state fiscal year two thousand twenty-one - two thousand twenty-two and every succeeding state fiscal year, an amount equal to one hundred one percent of the amount deposited in the immediately preceding state fiscal year. The funds shall be deposited monthly in equal installments. During the period that the comptroller is required to withhold amounts and make payments described in this paragraph, the city of New York has no right, title or interest in or to those taxes, penalties and interest required to be paid into the above referenced central business district tolling capital lockbox. In addition, **subject to any lien or pledge for the benefit of bondholders of the New York city transitional finance authority,** the comptroller shall withhold a portion of such taxes, penalties and interest in the amount of one hundred fifty million dollars, to be withheld in four

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

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quarterly installments on January fifteenth, April fifteenth, July fifteenth and October fifteenth of each year, and shall deposit such amounts into the New York State Agency Trust Fund, Distressed Provider Assistance Account.

§ 2. This act shall take effect immediately; provided that the amendments to subparagraph (ii) of paragraph 5 of subdivision (c) of section 1261 of the tax law made by section one of this act shall not affect the expiration of such subparagraph and shall be deemed to expire therewith.