

# STATE OF NEW YORK

302

2021-2022 Regular Sessions

## IN SENATE

(Prefiled)

January 6, 2021

Introduced by Sen. THOMAS -- 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 and the state finance law, in relation to sales tax on digital advertising; to amend the education law, in relation to zero interest undergraduate loan refinancing; and providing for the repeal of such provisions upon the expiration thereof

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

1 Section 1. Subdivision (c) of section 1105 of the tax law is amended  
2 by adding a new paragraph 1-a to read as follows:

3 (1-a) Notwithstanding the provisions of paragraph one of this subdivi-  
4 sion, the receipts from every sale, except for resale, of digital adver-  
5 tising services. For purposes of this paragraph:

6 (i) "Digital advertising services" means advertisement services on a  
7 digital interface, including advertisements in the form of banner adver-  
8 tising, search engine advertising, interstitial advertising, and other  
9 comparable advertising services which markets or promotes a particular  
10 good, service, or political candidate or message.

11 (ii) "Digital interface" means any type of software, including a  
12 website, part of a website, or application, that a user is able to  
13 access.

14 (iii) "User" means an individual or any other person who accesses a  
15 digital interface with a device.

16 All revenue received from the imposition of this tax shall be deposit-  
17 ed into the digital advertising services tax revenue fund established  
18 pursuant to section seventy-eight-c of the state finance law.

19 § 2. The state finance law is amended by adding a new section 78-c to  
20 read as follows:

21 § 78-c. Digital advertising services tax revenue fund. 1. There is  
22 hereby created and established in the sole custody of the state comp-

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

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1 troller a special fund to be known as the digital advertising services  
2 tax revenue fund which shall be for the exclusive benefit of providing  
3 zero interest refinancing of eligible education loans by the higher  
4 education services corporation under section six hundred eighty-three-c  
5 of the education law.

6 2. Amounts held in this fund shall not be, or be deemed, funds of the  
7 state or funds under the management of the state or the higher education  
8 services corporation. The obligations of the fund shall not be, or be  
9 deemed, the debts or obligations of the state and the state shall not  
10 be, or be deemed, in any way obligated to any holder of any such educa-  
11 tion loan.

12 3. Such fund shall consist of all moneys received by the department of  
13 taxation and finance pursuant to paragraph one-a of subdivision (c) of  
14 section eleven hundred five of the tax law. Moneys in the fund shall be  
15 segregated from all other funds kept by the state comptroller and shall  
16 not be used for any other purpose beyond those set forth in section six  
17 hundred eighty-three-c of the education law or in this section.

18 4. The state comptroller shall make payments from the fund in amounts  
19 and at times required by the higher education services corporation  
20 pursuant section six hundred eighty-three-c of the education law.

21 § 3. The education law is amended by adding a new section 683-c to  
22 read as follows:

23 § 683-c. Refinance of undergraduate student loans. 1. An eligible  
24 borrower, as defined in this section, may apply to have their federal  
25 and private undergraduate education loans refinanced by the corporation.  
26 The maximum amount allowed to be refinanced under this section shall be  
27 one hundred thousand dollars. The minimum amount to be refinanced shall  
28 be three thousand dollars.

29 2. An eligible borrower shall include an individual who: (a) has been  
30 a New York state resident for at least twenty-four consecutive months  
31 prior to application for refinancing; (b) owes less than one hundred  
32 thousand dollars in federal and private undergraduate education loans;  
33 and (c) is current on their loan payments.

34 3. Beginning January first, two thousand twenty-three, the corporation  
35 shall offer zero percent interest rate refinancing based on availability  
36 of funds in the digital advertising services tax revenue fund estab-  
37 lished in section seventy-eight-c of the state finance law.

38 4. (a) A borrower may be granted deferment or forbearance up to two  
39 times during the repayment period upon a showing of economic hardship.

40 (b) The corporation shall establish terms for repayment of loans on  
41 the basis of the income of the borrower. There shall be no penalty for  
42 prepayment.

43 (c) Loans refinanced under this section shall be eligible for loan  
44 forgiveness programs available to public service employees.

45 5. Rules and regulations. The corporation is authorized to promulgate  
46 rules and regulations necessary for the implementation of the provisions  
47 of this section.

48 § 4. This act shall take effect on the thirtieth day after it shall  
49 have become a law and shall apply to sales made and uses occurring on  
50 and after such date although made, occurring or rendered under a prior  
51 contract; provided that this act shall expire and be deemed repealed 5  
52 years after such effective date.