STATE OF NEW YORK

3524

2021-2022 Regular Sessions

IN SENATE

January 30, 2021

Introduced by Sens. BAILEY, BIAGGI -- 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, in relation to taxpayers affected by a federal government shutdown

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

Section 1. Section 657 of the tax law is amended by adding a new subsection (d) to read as follows:

(d) Automatic extension for employees affected by a federal government shutdown. An automatic extension shall be granted to any taxpayer who is employed by the federal government and is furloughed as a result of a federal government shutdown. Such extension shall be granted for filing a tax return or paying a tax otherwise required on April fifteenth. The length of such extension shall be sixty days from the date the federal government reopens. Subsection (b) of this section shall not apply to persons granted an extension by this subsection. No penalties or interest shall be assessed or imposed upon a taxpayer during such extension as granted herein.

§ 2. Section 171 of the tax law is amended by adding a new subdivision twenty-ninth to read as follows:

Twenty-ninth. (a) Provide for the payment by the department of every refund due to a taxpayer pursuant to subsection (d) of section six hundred fifty-seven of this chapter within thirty days of the receipt by the department of the tax return claiming such refund; provided that, if the department is unable to pay a tax refund because of a discrepancy in the taxpayer's tax return, the department shall, within such thirty day period, provide for written notice to the taxpayer of the specific discrepancy and a date when such discrepancy can be expected to be resolved.

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

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(b) Upon the failure to provide a refund or written notice to a taxpayer pursuant to paragraph (a) of this subdivision, the department shall pay the taxpayer interest on the refund owed at a rate of six percent per annum.

§ 3. This act shall take effect immediately.