STATE OF NEW YORK

9001

IN SENATE

May 3, 2022

Introduced by Sen. BROOKS -- read twice and ordered printed, and when printed to be committed to the Committee on Racing, Gaming and Wagering

AN ACT to amend the tax law, in relation to establishing a rate of commission for licensed lottery sales agents; and providing for the repeal of certain provisions upon expiration thereof

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

Section 1. Subdivision a of section 1604 of the tax law, as added by chapter 92 of the laws of 1976, the opening paragraph as amended by section 1 of part D of chapter 383 of the laws of 2001, is amended to read as follows:

a. In addition to the powers and duties provided in other sections of this article, the division shall have the power and it shall be its duty to operate and administer the lottery within the state including any joint, multi-jurisdiction, and out-of-state lottery in cooperation with a government-authorized lottery of one or more other jurisdictions, and to promulgate rules and regulations governing the establishment and operation thereof, including but not limited to the following:

1. The type of lottery to be conducted.

2. The price or prices of a ticket or tickets in the lottery.

3. The numbers and sizes of the prizes on the winning tickets.

4. The manner of selecting the winning tickets.

5. The frequency of the drawings or selections of winning tickets.

6. Without limit as to number, the type or types of locations at which tickets may be sold.

7. The method to be used in selling tickets.

8. The use of vending machines or mechanical devices of any kind.

[~~9. The compensation in such manner and amounts and subject to such limitations as the division may determine to licensed sellers of lottery tickets, but only where the division finds that such compensation is necessary to assure adequate availability of lottery tickets, and that the public convenience will be served thereby.~~

~~10.~~] **9.** The development of an internal security plan.

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

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§ 2. Section 1605 of the tax law is amended by adding a new subdivision h to read as follows:

h. A licensed lottery sales agent is entitled to compensation at a set rate for each ticket sold. The agent is permitted to deduct such compensation from the face value otherwise payable by the agent to the New York state gaming commission. The compensation rate per lottery ticket sale for licensed lottery sales agents is set at six percent.

§ 3. Section 1605 of the tax law is amended by adding a new subdivision h to read as follows:

h. A licensed lottery sales agent is entitled to compensation at a set rate for each ticket sold. The agent is permitted to deduct such compensation from the face value otherwise payable by the agent to the New York state gaming commission. The compensation rate per lottery ticket sale for licensed lottery sales agents is set at 6.2%.

§ 4. Section 1605 of the tax law is amended by adding a new subdivision h to read as follows:

h. A licensed lottery sales agent is entitled to compensation at a set rate for each ticket sold. The agent is permitted to deduct such compensation from the face value otherwise payable by the agent to the New York state gaming commission. The compensation rate per lottery ticket sale for licensed lottery sales agents is set at 6.4%.

§ 5. Section 1605 of the tax law is amended by adding a new subdivision h to read as follows:

h. A licensed lottery sales agent is entitled to compensation at a set rate for each ticket sold. The agent is permitted to deduct such compensation from the face value otherwise payable by the agent to the New York state gaming commission. The compensation rate per lottery ticket sale for licensed lottery sales agents is set at 6.6%.

§ 6. Section 1605 of the tax law is amended by adding a new subdivision h to read as follows:

h. A licensed lottery sales agent is entitled to compensation at a set rate for each ticket sold. The agent is permitted to deduct such compensation from the face value otherwise payable by the agent to the New York state gaming commission. The compensation rate per lottery ticket sale for licensed lottery sales agents is set at 6.8%.

§ 7. Section 1605 of the tax law is amended by adding a new subdivision h to read as follows:

h. A licensed lottery sales agent is entitled to compensation at a set rate for each ticket sold. The agent is permitted to deduct such compensation from the face value otherwise payable by the agent to the New York state gaming commission. The compensation rate per lottery ticket sale for licensed lottery sales agents is set at seven percent.

§ 8. Subdivision a of section 1611 of the tax law, as amended by chapter 913 of the laws of 1977, is amended to read as follows:

a. Except as otherwise provided in this section, all moneys received by any and all lottery sales agents from the sales of lottery tickets, including any lottery tickets, for the support of winter sports physical education in commemoration of the XIII olympic winter games if any, [~~less the amount, if any, retained pursuant to paragraph nine of subdivision a of section sixteen hundred four of this article~~] shall be delivered to the division. The division shall immediately deposit to its credit all such moneys received in banks, banking houses or trust companies designated by the commissioner and the comptroller. The division in its discretion, may require any or all lottery sales agents to deposit such moneys to the division's credit in banks, banking houses or trust companies designated by it, with the approval of the commissioner and

the comptroller and to file with the division reports of their receipts and transactions in the sale of lottery tickets in such form and containing such information as the division may require. The withdrawal, pursuant to section sixteen hundred twelve of this article, of moneys so deposited by the division or lottery sales agents shall be subject to a check signed by the director or such officers or employees of the division as the director may designate.

§ 9. This act shall take effect immediately; provided, however, that:

1. section two of this act shall expire and be deemed repealed January 1, 2023 when upon such date the provisions of section three of this act shall take effect;

2. section three of this act shall expire and be deemed repealed January 1, 2024 when upon such date the provisions of section four of this act shall take effect;

3. section four of this act shall expire and be deemed repealed January 1, 2025 when upon such date the provisions of section five of this act shall take effect;

4. section five of this act shall expire and be deemed repealed January 1, 2026 when upon such date the provisions of section six of this act shall take effect; and

5. section six of this act shall expire and be deemed repealed January 1, 2027 when upon such date the provisions of section seven of this act shall take effect.