STATE OF NEW YORK

7626

2023-2024 Regular Sessions

IN SENATE

August 9, 2023

Introduced by Sen. SEPULVEDA -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the abandoned property law and the tax law, in relation to the return of abandoned property to owners by the state comptroller and the department of taxation and finance; and to repeal section 1419 of the abandoned property law

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

Section 1. Paragraph (a) of subdivision 1 and paragraph (a) of subdivision 2 of section 1402 of the abandoned property law, as added by section 35 of part A of chapter 61 of the laws of 2011, are amended to read as follows:

(a) Notwithstanding anything to the contrary set forth in section fourteen hundred one of this article, the comptroller shall maintain on his or her website in a readily searchable format, a list of such abandoned property as has been paid or delivered to the comptroller [~~that has a value of over twenty dollars, for a period of twelve months prior to April first, two thousand eleven, and any such abandoned property as has been paid or delivered to the comptroller thereafter that has a value of over twenty dollars, provided that when sixty or more months has passed after such property has been paid or delivered to the comptroller, the comptroller shall not be required to post such property on his or her website if he or she does not deem it reasonable and appropriate to do so~~]. **All unclaimed funds shall be posted on such searchable list at all times.**

(a) the names and last known addresses of all persons appearing from the records in the comptroller's office, as set forth in the report filed by the holder, to be entitled to receive such abandoned property [~~exceeding twenty dollars in value~~]; and

§ 2. The abandoned property law is amended by adding a new section 1423 to read as follows:

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

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§ 1423. Notice to apparent owner by state comptroller. 1. Upon receipt of abandoned property from the holder of such abandoned property, the state comptroller shall, with the department of taxation and finance, determine the current address of the apparent owner of such abandoned property, and shall send a written notice by first-class mail to such apparent owner at such address; provided, however that the foregoing requirements shall not apply where (a) the comptroller or the department of taxation and finance does not have an address for the owner; or (b) the comptroller or the department of taxation and finance can demonstrate that the only address that the holder has pertaining to the owner is not the current address of the owner.

2. The state comptroller shall also send a notice by e-mail to such apparent owner of abandoned property, if the comptroller or the department of taxation and finance has a record of such apparent owner's e-mail address.

3. If the comptroller receives no response from such apparent owner or such apparent owner fails to file a claim for such abandoned property within one year of such notice, the comptroller shall refer such abandoned property to the department of taxation and finance.

§ 3. The abandoned property law is amended by adding a new section 1424 to read as follows:

§ 1424. Tax return identification of apparent owners. 1. After receiving a record of abandoned property from the state comptroller pursuant to subdivision three of section fourteen hundred twenty-three of this article and confirming that such apparent owner is the owner of such abandoned property, the department of taxation and finance shall determine if such apparent owner of such abandoned property (a) has filed a tax return in the fourteen months preceding such determination; or (b) is a debtor.

2. If such apparent owner is not a debtor, the department of taxation and finance shall deliver such abandoned property to such apparent owner, without requiring such apparent owner to file a claim to receive such abandoned property.

3. If such apparent owner is a debtor, the department of taxation and finance shall set off such abandoned property against such apparent owner's debts. If there is any remaining abandoned property after setoff, the department of taxation and finance shall proceed pursuant to subdivision two of this section.

4. After the department of taxation and finance has resolved such abandoned property, the department of taxation and finance shall notify the state comptroller to remove such abandoned property from the list of abandoned property maintained by the comptroller.

§ 4. Section 1419 of the abandoned property law is REPEALED.

§ 5. The tax law is amended by adding a new section 664 to read as follows:

§ 664. Abandoned property funds. Any funds constituting abandoned property referred to the department by the state comptroller may be paid toward the amount owed under this article by the apparent owner of such property or refunded to the apparent owner.

§ 6. Section 21 of the tax law, as added by section 1 of part N of chapter 686 of the laws of 2003, is renumbered section 21-a and subdivision (a) is amended to read as follows:

(a) General. Notwithstanding any provision of law to the contrary, the commissioner may furnish to the comptroller or duly designated officer or employee of the state department of audit and control the name, address and taxpayer identification number of a taxpayer [~~to whom a~~

~~refund or reimbursement of tax is owed, together with the amount of such refund or reimbursement,~~] for the sole purpose of identifying owners of abandoned property paid to and held by the comptroller [~~pursuant to section one hundred two of the state finance law~~].

§ 7. This act shall take effect immediately.