

# STATE OF NEW YORK

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8309--A

## IN SENATE

January 17, 2024

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A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law and the administrative code of the city of New York, in relation to permanently extending the itemized deduction limit on individuals with income over ten million dollars (Part A); to amend part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, in relation to extending the effectiveness thereof (Part B); to amend the tax law, in relation to making technical corrections to the metropolitan commuter transportation mobility tax (Part C); to amend the tax law, in relation to the restriction upon issuing notices for a tax year that is the subject of a pending petition filed with the division of tax appeals (Part D); to amend the executive law and the tax law, in relation to creating the commercial security tax credit program (Part E); to amend part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, in relation to the effectiveness of certain provisions relating to mandatory electronic filing of tax documents (Part F); to amend part U of chapter 61 of the laws of 2011 amending the real property tax law and other laws relating to establishing standards for electronic real property tax administration, allowing the department of taxation and finance to use electronic communication means to furnish tax notices and other documents, mandatory electronic filing of tax documents, debit cards issued for tax refunds, improving sales tax compliance, in relation to the effectiveness thereof (Part G); to amend the tax law, in relation to the filing of amended returns under article 28 thereof (Part H); to amend the tax law, in relation to exempting from sales and use tax certain tangible personal property and services sold to a related person; and to amend the executive law, in relation to tax expenditure reporting by the division of the budget (Part I); to amend the tax law, in relation to extending the sales tax exemption for certain sales made through vending machines (Part J); to amend the multiple residence law, the multiple dwelling law, and the

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

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tax law, in relation to short-term residential rental of private dwellings in certain municipalities (Part K); to amend the tax law, in relation to the imposition of taxes on the sale of cannabis (Part L); intentionally omitted (Part M); to amend the real property tax law, in relation to requiring excess proceeds from a tax foreclosure sale to be returned to the former owner, delinquent tax interest rates and establishing a homeowner bill of rights; and to amend the social services law, in relation to establishing senior, disabled, and veteran homeowner real property tax assistance programs (Part N); to amend the racing, pari-mutuel wagering and breeding law, in relation to the utilization of funds in the Catskill and the Capital off-track betting corporations' capital acquisition funds (Part O); to amend the racing, pari-mutuel wagering and breeding law, in relation to licenses for simulcast facilities, sums relating to track simulcast, simulcast of out-of-state thoroughbred races, simulcasting of races run by out-of-state harness tracks and distributions of wagers; to amend chapter 59 of the laws of 2023 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting; to amend chapter 59 of the laws of 2023 amending the racing, pari-mutuel wagering and breeding law and other laws relating to simulcasting and the imposition of certain taxes, in relation to extending certain provisions thereof; and to amend the racing, pari-mutuel wagering and breeding law, in relation to extending certain provisions thereof (Part P); to amend the racing, pari-mutuel wagering and breeding law, in relation to allowing season-long proposition bets and future award winners as authorized bets (Part Q); to amend the racing, pari-mutuel wagering and breeding law, in relation to authorizing one percent of mobile sports tax revenue be used for problem gambling (Part R); to amend the tax law and the administrative code of the city of New York, in relation to treatment of gains from qualified opportunity zones in calculating taxable income (Part S); to repeal subdivision (jj) of section 1115 of the tax law relating to sales and compensating use taxes imposed with respect to vessels; and to repeal subdivision 13 of section 1118 of the tax law relating to sales and compensating use taxes imposed with respect to vessels (Part T); to amend the tax law, in relation to the imposition of sales and compensating use taxes with respect to certain aircraft; and to repeal paragraph 21-a of subdivision (a) of section 1115 of the tax law, relating thereto (Part U); to amend the tax law, in relation to the taxation of vapor products (Part V); to repeal section 490 of the tax law relating to the excise tax on medical cannabis; and to repeal section 89-h of the state finance law relating to the medical cannabis trust fund (Part W); to amend the tax law, in relation to residential solar tax credits (Part X); to amend the tax law, in relation to geothermal energy systems tax credits (Part Y); to amend the tax law, in relation to establishing a sales tax exemption for residential energy storage (Part Z); to amend the tax law, in relation to the eligibility criteria for the digital gaming tax credit (Part AA); to amend the tax law, in relation to exempting certain car-sharing organizations from the special supplemental tax on passenger car rentals outside of the metropolitan commuter transportation district (Part BB); to amend the tax law, in relation to tax credits for volunteer firefighters and volunteer ambulance workers (Part CC); to amend the tax law, in relation to adjusting certain income tax rates (Part DD); to amend the tax law, in relation to providing a payroll tax credit for compensation of journalists; and to provide for the repeal of such provisions upon expira-

tion thereof (Part EE); to amend the tax law, in relation to creating a work opportunity tax credit; and providing for the repeal of such provisions upon expiration thereof (Part FF); to amend the tax law, in relation to tax on sales of motor fuel and petroleum products and to make conforming changes; to amend the tax law, in relation to the definition of qualified rehabilitation expenditures for purposes of the tax credit for rehabilitation of historic properties; to repeal paragraph 3 of subdivision (f) and paragraph 4 of subdivision (g) of section 301-a of the tax law relating to manufacturing gallonage for purposes of the imposition of certain taxes; to repeal subdivisions (i), (j), and (l) of section 301-c of the tax law relating to reimbursement; to repeal section 301-d of the tax law relating to a utility credit or reimbursement; to repeal subdivision (f) of section 301-e of the tax law relating to an aviation fuel business which services four or more cities; to repeal subparagraph (xi) of paragraph 3 of subdivision (c) of section 1105 of the tax law relating to services rendered with respect to certain property; and to repeal paragraph 9 of subdivision (a) of section 1115 of the tax law relating to fuel sold to an airline for use in its airplanes (Part GG); to amend the tax law, in relation to a New York state working families tax credit (Part HH); to amend the tax law, in relation to increasing the franchise tax on businesses for certain years (Part II); and to amend the tax law, in relation to extending the authorization of the real property tax relief credit (Part JJ)

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

1 Section 1. This act enacts into law major components of legislation  
2 which are necessary to implement the state fiscal plan for the 2024-2025  
3 state fiscal year. Each component is wholly contained within a Part  
4 identified as Parts A through JJ. The effective date for each particular  
5 provision contained within such Part is set forth in the last section of  
6 such Part. Any provision in any section contained within a Part,  
7 including the effective date of the Part, which makes a reference to a  
8 section "of this act", when used in connection with that particular  
9 component, shall be deemed to mean and refer to the corresponding  
10 section of the Part in which it is found. Section three of this act sets  
11 forth the general effective date of this act.

12 PART A

13 Section 1. Paragraph 2 of subsection (g) of section 615 of the tax  
14 law, as amended by section 1 of part Q of chapter 59 of the laws of  
15 2019, is amended to read as follows:

16 (2) With respect to an individual whose New York adjusted gross income  
17 is over ten million dollars, the New York itemized deduction shall be an  
18 amount equal to twenty-five percent of any charitable contribution  
19 deduction allowed under section one hundred seventy of the internal  
20 revenue code for taxable years beginning after two thousand nine and  
21 ending before two thousand [~~twenty-five~~] thirty.

22 § 2. Paragraph 2 of subdivision (g) of section 11-1715 of the adminis-  
23 trative code of the city of New York, as amended by section 2 of part Q  
24 of chapter 59 of the laws of 2019, is amended to read as follows:

(2) With respect to an individual whose New York adjusted gross income is over ten million dollars, the New York itemized deduction shall be an amount equal to twenty-five percent of any charitable contribution deduction allowed under section one hundred seventy of the internal revenue code for taxable years beginning after two thousand nine and ending before two thousand [~~twenty-five~~] thirty.

§ 3. This act shall take effect immediately.

#### PART B

Section 1. Section 12 of part N of chapter 61 of the laws of 2005, amending the tax law relating to certain transactions and related information and relating to the voluntary compliance initiative, as amended by section 1 of part O of chapter 59 of the laws of 2019, is amended to read as follows:

§ 12. This act shall take effect immediately; provided, however, that (i) section one of this act shall apply to all disclosure statements described in paragraph 1 of subdivision (a) of section 25 of the tax law, as added by section one of this act, that were required to be filed with the internal revenue service at any time with respect to "listed transactions" as described in such paragraph 1, and shall apply to all disclosure statements described in paragraph 1 of subdivision (a) of section 25 of the tax law, as added by section one of this act, that were required to be filed with the internal revenue service with respect to "reportable transactions" as described in such paragraph 1, other than "listed transactions", in which a taxpayer participated during any taxable year for which the statute of limitations for assessment has not expired as of the date this act shall take effect, and shall apply to returns or statements described in such paragraph 1 required to be filed by taxpayers (or persons as described in such paragraph) with the commissioner of taxation and finance on or after the sixtieth day after this act shall have become a law; and

(ii) sections two through four and seven through nine of this act shall apply to any tax liability for which the statute of limitations on assessment has not expired as of the date this act shall take effect; and

(iii) provided, further, that the provisions of this act, except section five of this act, shall expire and be deemed repealed July 1, [~~2024~~] 2029; provided, that, such expiration and repeal shall not affect any requirement imposed pursuant to this act.

§ 2. This act shall take effect immediately.

#### PART C

Section 1. The opening paragraph of paragraph 2 of subsection (a) of section 801 of the tax law, as amended by section 1 of part N of chapter 59 of the laws of 2012, is amended to read as follows:

(A) For individuals, the tax is imposed at a rate of thirty-four hundredths (.34) percent of the net earnings from self-employment of individuals that are attributable to the MCTD, in the counties of Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester, if such earnings attributable to the MCTD exceed fifty thousand dollars for the tax year.

§ 2. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2024.

1

## PART D

2 Section 1. Paragraph 2 of subsection (c) and paragraph 4 of subsection  
3 (d) of section 689 of the tax law, paragraph 2 of subsection (c) as  
4 amended by chapter 40 of the laws of 1964 and paragraph 4 of subsection  
5 (d) as amended by chapter 28 of the laws of 1987, are amended to read as  
6 follows:

7 (2) the taxpayer has not previously filed with the tax commission a  
8 timely petition under subsection (b) of this section for the same taxa-  
9 ble year unless the petition under this subsection relates to a separate  
10 claim for credit or refund properly filed under subsection (f) of  
11 section six hundred eighty-seven of this part or relates to a refund or  
12 credit first claimed on an amended return for the taxable year, and

13 (4) Restriction on further notices of deficiency. -- If the taxpayer  
14 files a petition with the tax commission under this section, no notice  
15 of deficiency under section six hundred eighty-one of this part may  
16 thereafter be issued by the tax commission for the same [~~taxable year~~]  
17 tax return, except in case of fraud or with respect to a change or  
18 correction required to be reported under section six hundred fifty-nine  
19 of this article.

20 § 2. Paragraph 2 of subsection (c) and paragraph 4 of subsection (d)  
21 of section 1089 of the tax law, paragraph 2 of subsection (c) as added  
22 by chapter 188 of the laws of 1964 and paragraph 4 of subsection (d) as  
23 amended by chapter 817 of the laws of 1987, are amended to read as  
24 follows:

25 (2) the taxpayer has not previously filed with the tax commission a  
26 timely petition under subsection (b) of this section for the same taxa-  
27 ble year unless the petition under this subsection relates to a separate  
28 claim for credit or refund properly filed under subsection (f) of  
29 section one thousand eighty-seven of this article or relates to a refund  
30 or credit first claimed on an amended return for the taxable year, and

31 (4) Restriction on further notices of deficiency.---If the taxpayer  
32 files a petition with the tax commission under this section, no notice  
33 of deficiency under section one thousand eighty-one of this article may  
34 thereafter be issued by the tax commission for the same [~~taxable year~~]  
35 tax return, except in case of fraud or with respect to an increase or  
36 decrease in federal taxable income or federal alternative minimum taxa-  
37 ble income or federal tax or a federal change or correction or renegoti-  
38 ation, or computation or recomputation of tax, which is treated in the  
39 same manner as if it were a deficiency for federal income tax purposes,  
40 required to be reported under subdivision three of section two hundred  
41 eleven[, ~~or under section two hundred nineteen-bb or under section two~~  
42 ~~hundred nineteen-ss~~] of this chapter.

43 § 3. This act shall take effect immediately and apply to taxable years  
44 beginning on or after January 1, 2024.

45

## PART E

46 Section 1. The executive law is amended by adding a new section 845-e  
47 to read as follows:

48 § 845-e. Commercial security tax credit program. 1. Definitions. For  
49 the purposes of this section:

50 (a) "Certificate of tax credit" means the document issued to a busi-  
51 ness entity by the division after the division has verified that the  
52 business entity has met all applicable eligibility criteria in subdivi-  
53 sion two of this section. The certificate shall specify the exact amount

1 of the tax credit under this section that a business entity may claim,  
2 pursuant to subdivision five of this section, and other information as  
3 required by the department of taxation and finance.

4 (b) "Qualified business" means a business with one hundred or fewer  
5 total employees that operates one or more physical retail business  
6 locations open to the public in New York state that incurs costs related  
7 to protection against retail theft of goods through retail theft  
8 prevention measures.

9 (c) "Qualified retail theft prevention measure expenses" means any  
10 combination of retail theft prevention measure costs paid or incurred by  
11 a qualified business during the taxable year that cumulatively exceed  
12 twelve thousand dollars for each New York retail location.

13 (d) "Retail theft prevention measure" means (i) the use of security  
14 officers as defined in paragraph (e) of this subdivision, (ii) security  
15 cameras, (iii) perimeter security lighting, (iv) interior or exterior  
16 locking or hardening measures, (v) alarm systems, (vi) access control  
17 systems, or (vii) other appropriate anti-theft devices as determined by  
18 the division to be eligible under this section.

19 (e) "Security officers" means security officers, registered under  
20 article seven-A of the general business law, responsible for the securi-  
21 ty and theft deterrence in a qualified business, whether employed  
22 directly by such business or indirectly through a contractor.

23 2. Eligibility criteria. To be eligible for a tax credit under the  
24 commercial security tax credit program, an eligible business must:

25 (a) be a qualified business required to file a tax return pursuant to  
26 articles nine, nine-A or twenty-two of the tax law;

27 (b) have qualified retail theft prevention measure expenses that  
28 exceed twelve thousand dollars for each New York retail location during  
29 the taxable year;

30 (c) provide a certification in a manner and form prescribed by the  
31 commissioner that the business entity participates in a community anti-  
32 theft partnership as established by the division between businesses and  
33 relevant local law enforcement agencies; and

34 (d) may not owe past due state taxes or local property taxes unless  
35 the business entity is making payments and complying with an approved  
36 binding payment agreement entered into with the taxing authority.

37 3. Application and approval process. (a) A business entity must submit  
38 a complete application as prescribed by the commissioner by October  
39 thirty-first of each year.

40 (b) The commissioner shall establish procedures for business entities  
41 to submit applications. As part of the application, each business entity  
42 must:

43 (i) provide evidence of eligibility in a form and manner prescribed by  
44 the commissioner;

45 (ii) agree to allow the department of taxation and finance to share  
46 the business entity's tax information with the division. However, any  
47 information shared as a result of this program shall not be available  
48 for disclosure or inspection under the state freedom of information law  
49 pursuant to article six of the public officers law;

50 (iii) allow the division and its agents access to any and all books  
51 and records the division may require to confirm eligibility; and

52 (iv) agree to provide any additional information required by the divi-  
53 sion relevant to this section.

54 4. Certificate of tax credit. After reviewing a business entity's  
55 completed final application and determining that a business entity meets  
56 the eligibility criteria as set forth in this section, the division may



issue to that business entity a certificate of tax credit. All applications will be processed by the division in the order they are received and certificates of tax credit may be issued in amounts that, in the aggregate, do not exceed the annual cap as set forth in subdivision seven of this section.

5. Commercial security tax credit. (a) For taxable years beginning on or after January first, two thousand twenty-four and before January first, two thousand twenty-six, a business entity in the commercial security tax credit program that meets the eligibility requirements of subdivision two of this section may be eligible to claim a credit equal to three thousand dollars for each retail location of the business entity located in New York state.

(b) A business entity may claim the tax credit in the taxable year that begins in the year for which it was allocated a credit by the division under this section.

(c) The credit shall be allowed as provided in section forty-nine, section one hundred eighty-seven-r, subdivision sixty of section two hundred ten-B and subsection (ppp) of section six hundred six of the tax law.

(d) The commissioner shall, in consultation with the department of taxation and finance, develop a certificate of tax credit that shall be issued by the commissioner to eligible businesses.

(e) The commissioner shall solely determine the eligibility of any applicant applying for entry into the program and shall remove any business entity from the program for failing to meet any of the requirements set forth in subdivision two and subdivision three of this section. In the event a business entity is removed from the program, the division shall notify the department of taxation and finance of such removal.

6. Maintenance of records. Each eligible business participating in the program shall keep all relevant records for the duration of their program participation for at least three years.

7. Cap on tax credit. The total amount of tax credits listed on certificates of tax credit issued by the division pursuant to this section may not exceed five million dollars per calendar year.

§ 2. The tax law is amended by adding a new section 49 to read as follows:

§ 49. Commercial security tax credit. (a) Allowance of credit. For taxable years beginning on or after January first, two thousand twenty-four and before January first, two thousand twenty-six, a taxpayer required to file a return pursuant to articles nine, nine-A or twenty-two of this chapter shall be allowed a credit against such tax, pursuant to the provisions referenced in subdivision (f) of this section. The amount of the credit is equal to the amount determined pursuant to section eight hundred forty-five-e of the executive law. No cost or expense paid or incurred by the taxpayer that is included as part of the calculation of this credit shall be the basis of any other tax credit allowed under this chapter.

(b) To be eligible for the commercial security tax credit, the taxpayer shall have been issued a certificate of tax credit by the division of criminal justice services pursuant to section eight hundred forty-five-e of the executive law, which certificate shall set forth the amount of the credit that may be claimed for the taxable year. The taxpayer shall be allowed to claim only the amount listed on the certificate of tax credit for the taxable year. A taxpayer that is a partner in a partnership, member of a limited liability company or shareholder in a subchapter S corporation that has received a certificate of tax credit shall be

1 allowed its pro rata share of the credit earned by the partnership,  
2 limited liability company or subchapter S corporation.

3 (c) Tax return requirement. The taxpayer shall be required to attach  
4 to its tax return in the form prescribed by the commissioner, proof of  
5 receipt of its certificate of tax credit issued by the division of crim-  
6 inal justice services.

7 (d) Information sharing. Notwithstanding any provision of this chap-  
8 ter, employees of the division of criminal justice services and the  
9 department shall be allowed and are directed to share and exchange:

10 (1) information derived from tax returns or reports that is relevant  
11 to a taxpayer's eligibility to participate in the commercial security  
12 tax credit program;

13 (2) information regarding the credit applied for, allowed or claimed  
14 pursuant to this section and taxpayers that are applying for the commer-  
15 cial security tax credit program or that are claiming such credit; and

16 (3) information contained in or derived from credit claim forms  
17 submitted to the department and applications for admission into the  
18 commercial security tax credit program. All information exchanged  
19 between the department and the division of criminal justice services  
20 shall not be subject to disclosure or inspection under the state's free-  
21 dom of information law.

22 (e) Credit recapture. If a certificate of tax credit issued by the  
23 division of criminal justice services under section eight hundred  
24 forty-five-e of the executive law is revoked by the division, the amount  
25 of credit described in this section and claimed by the taxpayer prior to  
26 such revocation shall be added back to tax in the taxable year such  
27 revocation becomes final.

28 (f) Cross references. For application of the credit provided for in  
29 this section, see the following provisions of this chapter:

30 (1) article 9; section 187-r;

31 (2) article 9-A: section 210-B, subdivision 60;

32 (3) article 22: section 606, subdivision (ppp).

33 § 3. The tax law is amended by adding a new section 187-r to read as  
34 follows:

35 § 187-r. Commercial security tax credit. 1. Allowance of credit. A  
36 taxpayer shall be allowed a credit, to be computed as provided in  
37 section forty-nine of this chapter, against the tax imposed by this  
38 article.

39 2. Application of credit. In no event shall the credit under this  
40 section be allowed in an amount that will reduce the tax payable to less  
41 than the applicable minimum tax fixed by section one hundred eighty-  
42 three of this article. If, however, the amount of credit allowable under  
43 this section for any taxable year reduces the tax to such amount, any  
44 amount of credit not deductible in such taxable year shall be treated as  
45 an overpayment of tax to be refunded in accordance with the provisions  
46 of section one thousand eighty-six of this chapter. Provided, however,  
47 the provisions of subsection (c) of section one thousand eighty-eight of  
48 this chapter notwithstanding, no interest shall be paid thereon.

49 § 4. Section 210-B of the tax law is amended by adding a new subdivi-  
50 sion 60 to read as follows:

51 60. Commercial security tax credit. (a) Allowance of credit. A taxpay-  
52 er shall be allowed a credit, to be computed as provided in section  
53 forty-nine of this chapter, against the taxes imposed by this article.

54 (b) Application of credit. The credit allowed under this subdivision  
55 for the taxable year shall not reduce the tax due for such year to less  
56 than the amount prescribed in paragraph (d) of subdivision one of



section two hundred ten of this article. However, if the amount of credit allowable under this subdivision for the taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest will be paid thereon.

§ 5. Section 606 of the tax law is amended by adding a new subsection (ppp) to read as follows:

(ppp) Commercial security tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowed under this subsection for the taxable year exceeds the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest will be paid thereon.

§ 6. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (li) to read as follows:

<u>(li) Commercial security tax</u>	<u>Amount of credit under</u>
<u>credit under subsection (ppp)</u>	<u>subdivision sixty of</u>
	<u>section two hundred ten-B</u>

§ 7. This act shall take effect immediately.

#### PART F

Section 1. Intentionally omitted.

§ 2. Intentionally omitted.

§ 3. Intentionally omitted.

§ 4. Intentionally omitted.

§ 5. Subdivisions (a), (b) and (d) of section 23 of part U of chapter 61 of the laws of 2011, amending the real property tax law and other laws relating to establishing standards for electronic tax administration, subdivisions (a) and (d) as amended by section 5 of part A of chapter 59 of the laws of 2019 and subdivision (b) as amended by section 5 of part G of chapter 60 of the laws of 2016, are amended to read as follows:

(a) the amendments to section 29 of the tax law made by section thirteen of this act shall apply to tax documents filed or required to be filed on or after the sixtieth day after which this act shall have become a law and shall expire and be deemed repealed December 31, ~~2024~~ 2029, provided however that the amendments to paragraph 4 of subdivision (a) of section 29 of the tax law and paragraph 2 of subdivision (e) of section 29 of the tax law made by section thirteen of this act with regard to individual taxpayers shall take effect September 15, 2011 but only if the commissioner of taxation and finance has reported in the report required by section seventeen-b of this act that the percentage of individual taxpayers electronically filing their 2010 income tax returns is less than eighty-five percent; provided that the commissioner of taxation and finance shall notify the legislative bill drafting commission of the date of the issuance of such report in order that the

1 commission may maintain an accurate and timely effective data base of  
2 the official text of the laws of the state of New York in furtherance of  
3 effectuating the provisions of section 44 of the legislative law and  
4 section 70-b of the public officers law;

5 (b) sections fourteen, fifteen, sixteen and seventeen of this act  
6 shall take effect September 15, 2011 but only if the commissioner of  
7 taxation and finance has reported in the report required by section  
8 seventeen-b of this act that the percentage of individual taxpayers  
9 electronically filing their 2010 income tax returns is less than eight-  
10 y-five percent; and

11 (d) sections fourteen-b, fifteen-b, sixteen-a and seventeen-a of this  
12 act shall take effect January 1, [~~2025~~] 2030 but only if the commission-  
13 er of taxation and finance has reported in the report required by  
14 section seventeen-b of this act that the percentage of individual  
15 taxpayers electronically filing their 2010 income tax returns is less  
16 than eighty-five percent; and

17 § 6. This act shall take effect immediately.

18 PART G

19 Section 1. Subdivision (e) of section 23 of part U of chapter 61 of  
20 the laws of 2011, amending the real property tax law and other laws  
21 relating to establishing standards for electronic real property tax  
22 administration, allowing the department of taxation and finance to use  
23 electronic communication means to furnish tax notices and other docu-  
24 ments, mandatory electronic filing of tax documents, debit cards issued  
25 for tax refunds, improving sales tax compliance, as amended by section 1  
26 of part S of chapter 59 of the laws of 2019, is amended to read as  
27 follows:

28 (e) sections twenty-one and twenty-one-a of this act shall expire and  
29 be deemed repealed December 31, [~~2024~~] 2029.

30 § 2. This act shall take effect immediately.

31 PART H

32 Section 1. Section 1136 of the tax law is amended by adding a new  
33 subdivision (d-1) to read as follows:

34 (d-1)(1) Notwithstanding subdivision (d) of this section, a return may  
35 be amended where such amendment would not result in the reduction or  
36 elimination of a past-due tax liability, as such term is defined in  
37 section one hundred seventy-one-v of this chapter. Provided, however,  
38 that a person required to collect tax, as defined in section eleven  
39 hundred thirty-one of this part, may amend a return within one hundred  
40 eighty days of the date such return was due if the past-due liability  
41 was self-assessed and reported by such person.

42 (2) Where there is no such past-due tax liability, an amended return  
43 that would result in the reduction or elimination of tax due shall be  
44 deemed a claim for credit or refund and must be filed within the time  
45 required for filing a claim for credit or refund under section eleven  
46 hundred thirty-nine of this part and otherwise meet the requirements of  
47 such section.

48 (3) Where the commissioner has determined the amount of tax due pursu-  
49 ant to paragraph one of subdivision (a) of section eleven hundred thir-  
50 ty-eight of this part, an original return may be filed within one  
51 hundred eighty days after mailing of notice of such determination.  
52 Provided, however, that nothing in this paragraph shall affect any

1 penalty or interest that may have accrued for such tax period on account  
2 of failure to timely file the original return.

3 (4) An assessment of tax, penalty and interest, including recovery of  
4 a previously paid refund, attributable to a change or correction on a  
5 return, may be made at any time within three years after such return is  
6 filed.

7 § 2. Subdivision (a) of section 1145 of the tax law is amended by  
8 adding a new paragraph 8 to read as follows:

9 (8) Notwithstanding any other provision of this article, any person  
10 who willfully files or amends a return that contains false information  
11 to reduce or eliminate a liability shall be subject to a penalty not to  
12 exceed one thousand dollars per return. This penalty shall be in addi-  
13 tion to any other penalty provided by law.

14 § 3. The commissioner of taxation and finance shall be required to  
15 provide notice to persons required to collect tax of the amendments made  
16 by sections one and two of this act no later than September 1, 2024.

17 § 4. This act shall take effect immediately, provided, however, the  
18 amendments made by section one of this act shall apply to returns filed  
19 or amended for quarterly periods, as described in subdivision (b) of  
20 section 1136 of the tax law, commencing on and after December 1, 2024.

21 PART I

22 Section 1. Subdivision (jj) of section 1115 of the tax law, as amended  
23 by section 1 of part M of chapter 59 of the laws of 2021, is amended to  
24 read as follows:

25 (jj) Tangible personal property or services otherwise taxable under  
26 this article sold to a related person shall not be subject to the taxes  
27 imposed by section eleven hundred five of this article or the compensat-  
28 ing use tax imposed under section eleven hundred ten of this article  
29 where the purchaser can show that the following conditions have been met  
30 to the extent they are applicable: (1)(i) the vendor and the purchaser  
31 are referenced as either a "covered company" as described in section  
32 243.2(f) or a "material entity" as described in section 243.2(1) of the  
33 Code of Federal Regulations in a resolution plan that has been submitted  
34 to an agency of the United States for the purpose of satisfying subpara-  
35 graph 1 of paragraph (d) of section one hundred sixty-five of the Dodd-  
36 Frank Wall Street Reform and Consumer Protection Act (the "Act") or any  
37 successor law, or (ii) the vendor and the purchaser are separate legal  
38 entities pursuant to a divestiture directed pursuant to subparagraph 5  
39 of paragraph (d) of section one hundred sixty-five of such act or any  
40 successor law; (2) the sale would not have occurred between such related  
41 entities were it not for such resolution plan or divestiture; and (3) in  
42 acquiring such property or services, the vendor did not claim an  
43 exemption from the tax imposed by this state or another state based on  
44 the vendor's intent to resell such services or property. A person is  
45 related to another person for purposes of this subdivision if the person  
46 bears a relationship to such person described in section two hundred  
47 sixty-seven of the internal revenue code. The exemption provided by this  
48 subdivision shall not apply to sales made, services rendered, or uses  
49 occurring after June thirtieth, two thousand [~~twenty-four~~] twenty-five,  
50 except with respect to sales made, services rendered, or uses occurring  
51 pursuant to binding contracts entered into on or before such date; but  
52 in no case shall such exemption apply after June thirtieth, two thousand  
53 [~~twenty-seven~~] twenty-eight.

§ 1-a. Section 181 of the executive law is amended by adding a new subdivision 4 to read as follows:

4. No later than February first, two thousand twenty-five, the division of the budget shall submit a special report on the cost of the tax expenditure authorized under subdivision (jj) of section eleven hundred fifteen of the tax law to the governor, the temporary president of the senate, the speaker of the assembly, and the chairs of the legislative fiscal committees. The division shall work with the commissioner of taxation and finance to find a method to quantify the loss of revenue from this tax expenditure, including, but not limited to, by surveying businesses impacted by this tax expenditure. The division shall also publish this special report on its website.

§ 2. This act shall take effect immediately.

#### PART J

Section 1. Subparagraph (B) of paragraph 1 of subdivision (a) of section 1115 of the tax law, as amended by section 1 of part R of chapter 59 of the laws of 2023, is amended to read as follows:

(B) Until May thirty-first, two thousand [~~twenty-four~~] twenty-five, the food and drink excluded from the exemption provided by clauses (i), (ii) and (iii) of subparagraph (A) of this paragraph, and bottled water, shall be exempt under this subparagraph: (i) when sold for one dollar and fifty cents or less through any vending machine that accepts coin or currency only; or (ii) when sold for two dollars or less through any vending machine that accepts any form of payment other than coin or currency, whether or not it also accepts coin or currency.

§ 2. This act shall take effect immediately.

#### PART K

Section 1. The multiple residence law is amended by adding a new article 2-A to read as follows:

##### ARTICLE 2-A

##### SHORT-TERM RESIDENTIAL RENTAL UNITS

##### Section 20. Definitions.

21. Short-term residential rental units; regulation.

22. Registration.

23. Exceptions.

24. Penalties.

24-a. Enforcement.

24-b. Data sharing.

§ 20. Definitions. For the purposes of this article, the following terms shall have the following meanings:

1. "Short-term residential rental unit" means an entire dwelling unit, or a room, group of rooms, other living or sleeping space, or any other space within a dwelling, made available for rent by guests for less than thirty consecutive days, where the unit is offered for tourist or transient use by the short-term rental host of the residential unit.

2. "Short-term rental host" means a person or entity in valid legal possession of a short-term rental unit who rents such unit to guests.

3. "Booking service" means a person or entity who, directly or indirectly:

(a) provides one or more online, computer or application-based platforms that individually or collectively can be used to:

(i) list or advertise offers for short-term rentals, and

1 (ii) either accept such offers, or reserve or pay for such rentals;  
2 and

3 (b) charges, collects or receives a fee for the use of such a platform  
4 or for provision of any service in connection with a short-term rental.  
5 A booking service shall not be construed to include a platform that  
6 solely lists or advertises offers for short-term rentals.

7 § 21. Short-term residential rental units; regulation. 1. A short-term  
8 rental host may operate a dwelling unit as a short-term residential  
9 rental unit provided such dwelling unit:

10 (a) is registered in accordance with section twenty-two of this arti-  
11 cle;

12 (b) is not used to provide single-room occupancy as defined by subdivi-  
13 sion forty-four of section four of this chapter;

14 (c) includes a conspicuously posted evacuation diagram identifying all  
15 means of egress from the unit and the building in which it is located;

16 (d) includes a conspicuously posted list of emergency phone numbers  
17 for police, fire, and poison control;

18 (e) has a working fire-extinguisher; and

19 (f) is insured by an insurer licensed to write insurance in this state  
20 or procured by a duly licensed excess line broker pursuant to section  
21 two thousand one hundred eighteen of the insurance law for at least the  
22 value of the dwelling, plus a minimum of three hundred thousand dollars  
23 coverage for third party claims of property damage or bodily injury that  
24 arise out of the operation of a short-term rental unit. Notwithstanding  
25 any other provision of law, no insurer shall be required to provide such  
26 coverage.

27 2. Occupancies of a short-term rental unit shall be subject to taxes  
28 and fees pursuant to articles twenty-eight and twenty-nine of the tax  
29 law and applicable local laws.

30 3. Short-term rental hosts shall maintain records related to guest  
31 stays for two years following the end of the calendar year in which an  
32 individual rental stay occurred, including the date of each stay and  
33 number of guests, the cost for each stay, including relevant tax, and  
34 records related to their registration as short-term rental hosts with  
35 the department of state. As a requirement for registration under section  
36 twenty-two of this article, hosts shall provide these records to the  
37 department of state on an annual basis. The department shall share this  
38 report with county, city, town, or village governments and shall make  
39 such reports available to local municipal enforcement agencies upon  
40 request. Where the booking platform is the short-term rental host, the  
41 short-term rental host may be exempt from providing such report provided  
42 that the booking platform includes all necessary information required of  
43 a short-term rental host in the report required pursuant to subdivision  
44 four of this section.

45 4. Notwithstanding the provisions of any other law or administrative  
46 action to the contrary, booking services shall develop and maintain a  
47 report related to short-term rental unit guest stays that the booking  
48 service has facilitated in the state for two years following the end of  
49 the calendar year in which an individual rental stay occurred. The  
50 report shall include the dates of each stay and the number of guests,  
51 the cost for each stay, including relevant tax, the physical address,  
52 including any unit designation, of each short-term rental unit booked,  
53 the full legal name of each short-term rental unit's host, and each  
54 short-term rental unit's registration number. In the event a booking  
55 service does not adhere to subdivision two of section twenty-two of this  
56 article, or more information is deemed necessary by the department of



1 state, the department may access this report and/or all relevant records  
2 from a booking service in response to valid legal process. The depart-  
3 ment shall share this report and/or records with county, city, town, or  
4 village governments and shall make such reports available to local  
5 municipal enforcement agencies when lawfully requested. Reports and any  
6 records provided to generate such reports shall not be made publicly  
7 available without the redaction of the full legal name of each short-  
8 term rental unit's host, the street name and number of the physical  
9 address of any identified short-term rental unit and the unit's regis-  
10 tration number.

11 5. It shall be unlawful for a booking service to collect a fee for  
12 facilitating booking transactions for short-term residential rental  
13 units located in this state if the short-term rental unit and its owner  
14 or tenant have not been issued a current, valid registration by the  
15 department of state or an applicable municipality.

16 6. The provisions of this article shall apply to all short-term resi-  
17 dential rental units in the state; provided, however, that a munici-  
18 pality that has its own short-term residential rental unit registry may  
19 continue such registry and all short-term residential rental units in  
20 such municipality shall be required to be registered with such municipal  
21 registry and shall not be required to register with the department of  
22 state. Municipalities with short-term residential rental registries  
23 shall establish and effectuate standards for the health and safety of  
24 guests, including, but not limited to, the standards established in  
25 paragraphs (c), (d) and (e) of subdivision one of this section. Muni-  
26 palities with short-term residential rental unit registries shall main-  
27 tain the authority to manage such registries and to collect fines for  
28 violations related to the registration of short-term residential rental  
29 units. Municipalities with short-term residential rental unit regis-  
30 tries shall provide information on short-term residential rental units  
31 registered within such municipality to the department of state, on a  
32 quarterly basis of each calendar year, in order for the department to  
33 maintain a current database of all short-term residential units regis-  
34 tered within the state. Municipalities with short-term residential  
35 rental unit registries shall not be subject to the regulation require-  
36 ments of this section and may establish registration requirements and  
37 regulations in such municipality which may differ from the requirements  
38 of this section.

39 § 22. Registration. 1. Short-term rental hosts shall be required to  
40 register a short-term residential rental unit with the department of  
41 state or with the municipality where such short-term residential unit is  
42 located if such municipality has a registration system; provided, howev-  
43 er, that the department of state shall not accept an application to  
44 register a short-term residential rental unit for a unit that is located  
45 in a municipality which has its own registration system and that has  
46 notified the department of state of such registration system. Where a  
47 short-term rental is located in a jurisdiction that has multiple munici-  
48 pal registration systems, the host shall select only one such municipal  
49 registration system to register under. No municipality shall require a  
50 host to register under their registration system where a host is  
51 lawfully registered with another municipal registration system.

52 (a) Registration with the department of state shall be valid for two  
53 years, after which time the short-term rental host may renew his or her  
54 registration in a manner prescribed by the department of state. The  
55 department of state may revoke the registration of a short-term rental  
56 host upon a determination that the short-term rental host has violated



1 any provision of this article at least three times in two calendar  
2 years, and may determine that the short-term rental host shall be ineli-  
3 gible for registration for a period of up to twelve months from the date  
4 of such determination or at the request of a municipality when such  
5 municipality requests such revocation due to illegal occupancy. Listing  
6 or using a dwelling unit, or portion thereof, as a short-term residen-  
7 tial rental unit without current, valid registration shall be unlawful  
8 and shall make persons who list or use such unit ineligible for regis-  
9 tration for a period of twelve months from the date a determination is  
10 made that a violation has occurred.

11 (b) A short-term rental host shall include their current, valid regis-  
12 tration number on all offerings, listings or advertisements for short-  
13 term rental guest stays.

14 (c) A tenant, or other person that does not own a unit that is used as  
15 a short-term rental unit but is in valid legal possession of a short-  
16 term residential rental unit, shall not qualify for registration if they  
17 are not the permanent occupant of the dwelling unit in question and have  
18 not been granted permission in writing by the owner for its short-term  
19 rental, to be verified by the department of state or any municipality  
20 with its own registration system.

21 (d) The department of state shall make available to platforms the  
22 data necessary to allow booking platforms to verify the registration  
23 status of a short-term residential rental unit and that the unit is  
24 associated with the short-term rental host who registered the unit.

25 (e) The short-term rental host shall pay application and renewal fees  
26 in an amount to be established by the department of state.

27 (f) There shall be a fee for the use of the electronic verification  
28 system in an amount to be established by the department of state. Such  
29 fee shall not exceed the cost to build, operate, and maintain such  
30 system.

31 2. Notwithstanding the provisions of any other law or administrative  
32 action to the contrary, it shall be unlawful for a booking service to  
33 collect a fee for facilitating booking transactions for short-term resi-  
34 dential rental units located in this state without first registering  
35 with the department of state. Accordingly, booking services shall adhere  
36 to the following, in addition to other regulations established by the  
37 department, as conditions of such registration:

38 (a) Booking services shall provide to the department on a quarterly  
39 basis, in a form and manner to be determined by the department, the  
40 report developed and maintained by the booking service in accordance  
41 with subdivision four of section twenty-one of this article. The depart-  
42 ment shall share this report with county, city, town, or village govern-  
43 ments and shall make such reports available to local municipal enforce-  
44 ment agencies when lawfully requested.

45 (b) A booking service shall provide agreement in writing to the  
46 department that it will:

47 (i) Obtain written consent from all short-term rental hosts intending  
48 to utilize their platform, for short-term residential rental units  
49 located in this state, for the disclosure of the information pursuant to  
50 subdivision four of section twenty-one of this article, in accordance  
51 with paragraph (a) of this subdivision; and

52 (ii) Furnish the information identified pursuant to subdivision four  
53 of section twenty-one of this article, in accordance with paragraph (a)  
54 of this subdivision.

55 3. The department of state shall set a fee for short-term residential  
56 rental unit and booking service registration with the department.

1     § 23. Exceptions. Notwithstanding the provisions of any other law to  
2 the contrary, this article shall not apply to:

3     1. Incidental and occasional occupancy of such dwelling unit for  
4 fewer than thirty consecutive days by other persons when the permanent  
5 occupants are temporarily absent for personal reasons, such as vacation  
6 or medical treatment, provided that there is no monetary compensation  
7 paid to the permanent occupants for such occupancy; or

8     2. A municipality which does not allow short-term residential rentals;  
9 provided, however, that such municipality shall request an exception  
10 from this article; or

11     3. Temporary housing or lodging permitted by the department of health.  
12     § 24. Penalties. Notwithstanding the provisions of any other law to  
13 the contrary:

14     1. Any booking service which collects a fee related to booking a unit  
15 as a short-term rental, where such unit is not registered in accordance  
16 with this article, shall be fined in accordance with subdivisions four  
17 and five of this section. The secretary of state or their designee may  
18 also seek an injunction from a court of competent jurisdiction prohibit-  
19 ing the collection of any fees relating to the offering or renting of  
20 the unit as a short-term residential rental.

21     2. Any person who offers a short-term residential rental unit without  
22 registering with the department of state or municipal registration  
23 system, or any person who offers an eligible short-term residential  
24 rental unit as a short-term rental while the unit's registration on the  
25 short-term residential rental unit registry is suspended, shall be fined  
26 in accordance with subdivisions four and five of this section.

27     3. Any person who fails to comply with any notice of violation or  
28 other order issued pursuant to this article by the department of state  
29 for a violation of any provision of this article shall be fined in  
30 accordance with subdivisions four and five of this section.

31     4. In a municipality that does not have its own registration system, a  
32 short-term rental host that violates the requirements of this article  
33 shall receive a warning notice issued, without penalty, by the depart-  
34 ment of state upon the first and second violation. The warning notice  
35 shall detail actions to be taken to cure the violation. A two hundred  
36 dollar fine shall be imposed upon the third violation. A one thousand  
37 dollar fine per day shall be imposed upon all subsequent violations.  
38 Upon the occurrence of a violation, a seven-day period to cure the  
39 violation shall be granted. During such period, no further fines shall  
40 be accumulated against the short-term rental host, except where the new  
41 violation is related to a different short-term rental unit.

42     5. In a municipality that does not have its own registration system, a  
43 booking service that violates the requirements of this article shall be  
44 issued a five hundred dollar fine per day, per violation, until such  
45 violation is cured.

46     6. In a municipality that has its own registration system, the munici-  
47 pality may establish and effectuate its own penalty system.

48     § 24-a. Enforcement. 1. The provisions of this article may be enforced  
49 in accordance with article eight of this chapter.

50     2. The department of state may enter into agreements with a booking  
51 service for assistance in enforcing the provisions of this section,  
52 including but not limited to an agreement whereby the booking service  
53 agrees to remove a listing from its platform that is deemed ineligible  
54 for use as a short-term residential rental unit under the provisions of  
55 this article, and whereby the booking service agrees to prohibit a

1 short-term rental host from listing any listing without a valid regis-  
2 tration number.

3 3. The attorney general shall be authorized to bring an action for a  
4 violation of this article for any such violations occurring in the  
5 state, regardless of the registration system in place within the appli-  
6 cable jurisdiction.

7 4. A municipality shall be entitled to bring an action for a violation  
8 of this article for any such violations of this article occurring in the  
9 municipality, and may notify the attorney general.

10 § 24-b. Data sharing. Booking services shall provide to the depart-  
11 ment of state and municipalities, on a monthly basis, an electronic  
12 report, in a format determined by the department of state of the list-  
13 ings maintained, authorized, facilitated or advertised by the booking  
14 service within the state for the applicable reporting period. The report  
15 shall include the registration number, and a breakdown of where the  
16 listings are located, whether the listing is for a partial unit or a  
17 whole unit, and shall include the number of nights each unit was  
18 reported as occupied during the applicable reporting period.

19 § 2. The multiple dwelling law is amended by adding a new article 2-A  
20 to read as follows:

## 21 ARTICLE 2-A

### 22 SHORT-TERM RESIDENTIAL RENTAL UNITS

#### 23 Section 20. Definitions.

24 21. Short-term residential rental units; regulation.

25 22. Registration.

26 23. Exceptions.

27 24. Penalties.

28 24-a. Enforcement.

29 24-b. Data sharing.

30 § 20. Definitions. For the purposes of this article, the following  
31 terms shall have the following meanings:

32 1. "Short-term residential rental unit" means an entire dwelling unit,  
33 or a room, group of rooms, other living or sleeping space, or any other  
34 space within a dwelling, made available for rent by guests for less than  
35 thirty consecutive days, where the unit is offered for tourist or tran-  
36 sient use by the short-term rental host of the residential unit.

37 2. "Short-term rental host" means a person or entity in valid legal  
38 possession of a short-term rental unit who rents such unit to guests.

39 3. "Booking service" means a person or entity who, directly or indi-  
40 rectly:

41 (a) provides one or more online, computer or application-based plat-  
42 forms that individually or collectively can be used to:

43 (i) list or advertise offers for short-term rentals, and

44 (ii) either accept such offers, or reserve or pay for such rentals;  
45 and

46 (b) charges, collects or receives a fee for the use of such a platform  
47 or for provision of any service in connection with a short-term rental.  
48 A booking service shall not be construed to include a platform that  
49 solely lists or advertises offers for short-term rentals.

50 § 21. Short-term residential rental units; regulation. 1. A short-term  
51 rental host may operate a dwelling unit as a short-term residential  
52 rental unit provided such dwelling unit:

53 (a) is registered in accordance with section twenty-two of this arti-  
54 cle;

1 (b) is not used to provide single room occupancy as defined by subdivi-  
2 vision sixteen of section four of this chapter;

3 (c) includes a conspicuously posted evacuation diagram identifying all  
4 means of egress from the unit and the building in which it is located;

5 (d) includes a conspicuously posted list of emergency phone numbers  
6 for police, fire, and poison control;

7 (e) has a working fire-extinguisher; and

8 (f) is insured by an insurer licensed to write insurance in this state  
9 or procured by a duly licensed excess line broker pursuant to section  
10 two thousand one hundred eighteen of the insurance law for at least the  
11 value of the dwelling, plus a minimum of three hundred thousand dollars  
12 coverage for third party claims of property damage or bodily injury that  
13 arise out of the operation of a short-term rental unit. Notwithstanding  
14 any other provision of law, no insurer shall be required to provide such  
15 coverage.

16 2. Occupancies of a short-term rental unit shall be subject to taxes  
17 and fees pursuant to articles twenty-eight and twenty-nine of the tax  
18 law and applicable local laws.

19 3. Short-term rental hosts shall maintain records related to guest  
20 stays for two years following the end of the calendar year in which an  
21 individual rental stay occurred, including the date of each stay and  
22 number of guests, the cost for each stay, including relevant tax, and  
23 records related to their registration as short-term rental hosts with  
24 the department of state. As a requirement for registration under section  
25 twenty-two of this article, hosts shall provide these records to the  
26 department of state on an annual basis. The department shall share this  
27 report with county, city, town, or village governments and shall make  
28 such reports available to local municipal enforcement agencies upon  
29 request. Where the booking platform is the short-term rental host, the  
30 short-term rental host may be exempt from providing such report provided  
31 that the booking platform includes all necessary information required of  
32 a short-term rental host in the report required pursuant to subdivision  
33 four of this section.

34 4. Notwithstanding the provisions of any other law or administrative  
35 action to the contrary, booking services shall develop and maintain a  
36 report related to short-term rental unit guest stays that the booking  
37 service has facilitated in the state for two years following the end of  
38 the calendar year in which an individual rental stay occurred. The  
39 report shall include the dates of each stay and the number of guests,  
40 the cost for each stay, including relevant tax, the physical address,  
41 including any unit designation, of each short-term rental unit booked,  
42 the full legal name of each short-term rental unit's host, and each  
43 short-term rental unit's registration number. In the event a booking  
44 service does not adhere to subdivision two of section twenty-two of this  
45 article, or more information is deemed necessary by the department of  
46 state, the department may access this report and/or all relevant records  
47 from a booking service in response to valid legal process. The depart-  
48 ment shall share this report and/or records with county, city, town, or  
49 village governments and shall make such reports available to local  
50 municipal enforcement agencies when lawfully requested. Reports and any  
51 records provided to generate such reports shall not be made publicly  
52 available without the redaction of the full legal name of each short-  
53 term rental unit's host, the street name and number of the physical  
54 address of any identified short-term rental unit and the unit's regis-  
55 tration number.

1 5. It shall be unlawful for a booking service to collect a fee for  
2 facilitating booking transactions for short-term residential rental  
3 units located in this state if the short-term rental unit and its owner  
4 or tenant have not been issued a current, valid registration by the  
5 department of state or an applicable municipality.

6 6. The provisions of this article shall apply to all short-term resi-  
7 dential rental units in the state; provided, however, that a munici-  
8 pality that has its own short-term residential rental unit registry may  
9 continue such registry and all short-term residential rental units in  
10 such municipality shall be required to be registered with such municipal  
11 registry and shall not be required to register with the department of  
12 state. Municipalities with short-term residential rental registries  
13 shall establish and effectuate standards for the health and safety of  
14 guests, including, but not limited to, the standards established in  
15 paragraphs (c), (d) and (e) of subdivision one of this section. Muni-  
16 icipalities with short-term residential rental unit registries shall main-  
17 tain the authority to manage such registries and to collect fines for  
18 violations related to the registration of short-term residential rental  
19 units. Municipalities with short-term residential rental unit registries  
20 shall provide information on short-term residential rental units regis-  
21 tered within such municipality to the department of state, on a quarter-  
22 ly basis of each calendar year in order for the department to maintain a  
23 current database of all short-term residential units registered within  
24 the state. Municipalities with short-term residential rental unit regis-  
25 tries shall not be subject to the regulation requirements of this  
26 section and may establish registration requirements and regulations in  
27 such municipality which may differ from the requirements of this  
28 section.

29 § 22. Registration. 1. Short-term rental hosts shall be required to  
30 register a short-term residential rental unit with the department of  
31 state or with the municipality where such short-term residential unit is  
32 located if such municipality has a registration system; provided, howev-  
33 er, that the department of state shall not accept an application to  
34 register a short-term residential rental unit for a unit that is located  
35 in a municipality which has its own registration system and that has  
36 notified the department of state of such registration system. Where a  
37 short-term rental is located in a jurisdiction that has multiple muni-  
38 cipal registration systems, the host shall select only one such municipal  
39 registration system to register under. No municipality shall require a  
40 host to register under their registration system where a host is  
41 lawfully registered with another municipal registration system.

42 (a) Registration with the department of state shall be valid for two  
43 years, after which time the short-term rental host may renew his or her  
44 registration in a manner prescribed by the department of state. The  
45 department of state may revoke the registration of a short-term rental  
46 host upon a determination that the short-term rental host has violated  
47 any provision of this article at least three times in two calendar  
48 years, and may determine that the short-term rental host shall be ineli-  
49 gible for registration for a period of up to twelve months from the date  
50 of such determination or at the request of a municipality when such  
51 municipality requests such revocation due to illegal occupancy. Listing  
52 or using a dwelling unit, or portion thereof, as a short-term residen-  
53 tial rental unit without current, valid registration shall be unlawful  
54 and shall make persons who list or use such unit ineligible for regis-  
55 tration for a period of twelve months from the date a determination is  
56 made that a violation has occurred.



(b) A short-term rental host shall include their current, valid registration number on all offerings, listings or advertisements for short-term rental guest stays.

(c) A tenant, or other person that does not own a unit that is used as a short-term rental unit but is in valid legal possession of a short-term residential rental unit, shall not qualify for registration if they are not the permanent occupant of the dwelling unit in question and have not been granted permission in writing by the owner for its short-term rental, to be verified by the department of state or any municipality with its own registration system.

(d) The department of state shall make available to platforms the data necessary to allow booking platforms to verify the registration status of a short-term residential rental unit and that the unit is associated with the short-term rental host who registered the unit.

(e) The short-term rental host shall pay application and renewal fees in an amount to be established by the department of state.

(f) There shall be a fee for the use of the electronic verification system in an amount to be established by the department of state. Such fee shall not exceed the cost to build, operate, and maintain such system.

2. Notwithstanding the provisions of any other law or administrative action to the contrary, it shall be unlawful for a booking service to collect a fee for facilitating booking transactions for short-term residential rental units located in this state without first registering with the department of state. Accordingly, booking services shall adhere to the following, in addition to other regulations established by the department, as conditions of such registration:

(a) Booking services shall provide to the department on a quarterly basis, in a form and manner to be determined by the department, the report developed and maintained by the booking service in accordance with subdivision four of section twenty-one of this article. The department shall share this report with county, city, town, or village governments and shall make such reports available to local municipal enforcement agencies when lawfully requested.

(b) A booking service shall provide agreement in writing to the department that it will:

(i) Obtain written consent from all short-term rental hosts intending to utilize their platform, for short-term residential rental units located in this state, for the disclosure of the information pursuant to subdivision four of section twenty-one of this article, in accordance with paragraph (a) of this subdivision; and

(ii) Furnish the information identified pursuant to subdivision four of section twenty-one of this article, in accordance with paragraph (a) of this subdivision.

3. The department of state shall set a fee for short-term residential rental unit and booking service registration with the department.

§ 23. Exceptions. Notwithstanding the provisions of any other law to the contrary, this article shall not apply to:

1. Incidental and occasional occupancy of such dwelling unit for fewer than thirty consecutive days by other persons when the permanent occupants are temporarily absent for personal reasons, such as vacation or medical treatment, provided that there is no monetary compensation paid to the permanent occupants for such occupancy; or

2. A municipality which does not allow short-term residential rentals; provided, however, that such municipality shall request an exception from this article; or



1     3. Temporary housing or lodging permitted by the department of health.  
2     § 24. Penalties. Notwithstanding the provisions of any other law to  
3     the contrary:

4     1. Any booking service which collects a fee related to booking a unit  
5     as a short-term rental, where such unit is not registered in accordance  
6     with this article, shall be fined in accordance with subdivisions four  
7     and five of this section. The secretary of state or their designee may  
8     also seek an injunction from a court of competent jurisdiction prohibit-  
9     ing the collection of any fees relating to the offering or renting of  
10    the unit as a short-term residential rental.

11    2. Any person who offers a short-term residential rental unit without  
12    registering with the department of state or municipal registration  
13    system, or any person who offers an eligible short-term residential  
14    rental unit as a short-term rental while the unit's registration on the  
15    short-term residential rental unit registry is suspended, shall be fined  
16    in accordance with subdivisions four and five of this section.

17    3. Any person who fails to comply with any notice of violation or  
18    other order issued pursuant to this article by the department of state  
19    for a violation of any provision of this article shall be fined in  
20    accordance with subdivisions four and five of this section.

21    4. In a municipality that does not have its own registration system, a  
22    short-term rental host that violates the requirements of this article  
23    shall receive a warning notice issued, without penalty, by the depart-  
24    ment of state upon the first and second violation. The warning notice  
25    shall detail actions to be taken to cure the violation. A two hundred  
26    dollar fine shall be imposed upon the third violation. A one thousand  
27    dollar fine per day shall be imposed upon all subsequent violations.  
28    Upon the occurrence of a violation, a seven-day period to cure the  
29    violation shall be granted. During such period, no further fines shall  
30    be accumulated against the short-term rental host, except where the new  
31    violation is related to a different short-term rental unit.

32    5. In a municipality that does not have its own registration system, a  
33    booking service that violates the requirements of this article shall be  
34    issued a five hundred dollar fine per day, per violation, until the  
35    violation is cured.

36    6. In a municipality that has its own registration system, the munici-  
37    pality may establish and effectuate its own penalty system.

38    § 24-a. Enforcement. 1. The provisions of this article may be enforced  
39    in accordance with article eight of this chapter.

40    2. The department of state may enter into agreements with a booking  
41    service for assistance in enforcing the provisions of this section,  
42    including but not limited to an agreement whereby the booking service  
43    agrees to remove a listing from its platform that is deemed ineligible  
44    for use as a short-term residential rental unit under the provisions of  
45    this article, and whereby the booking service agrees to prohibit a  
46    short-term rental host from listing any listing without a valid regis-  
47    tration number.

48    3. The attorney general shall be authorized to bring an action for a  
49    violation of this article for any such violations occurring in the  
50    state, regardless of the registration system in place within the appli-  
51    cable jurisdiction.

52    4. A municipality shall be entitled to bring an action for a violation  
53    of this article for any such violations of this article occurring in the  
54    municipality, and may notify the attorney general.

55    § 24-b. Data sharing. Booking services shall provide to the department  
56    of state and municipalities, on a monthly basis, an electronic report,

1 in a format determined by the department of state of the listings main-  
2 tained, authorized, facilitated or advertised by the booking service  
3 within the state for the applicable reporting period. The report shall  
4 include the registration number, and a breakdown of where the listings  
5 are located, whether the listing is for a partial unit or a whole unit,  
6 and shall include the number of nights each unit was reported as occu-  
7 piated during the applicable reporting period.

8 § 3. Subdivision (c) of section 1101 of the tax law, as added by chap-  
9 ter 93 of the laws of 1965, paragraphs 2, 3, 4 and 6 as amended by  
10 section 2 and paragraph 8 as added by section 3 of part AA of chapter 57  
11 of the laws of 2010, and paragraph 5 as amended by chapter 575 of the  
12 laws of 1965, is amended to read as follows:

13 (c) When used in this article for the purposes of the tax imposed  
14 under subdivision (e) of section eleven hundred five of this article,  
15 and subdivision (a) of section eleven hundred four of this article, the  
16 following terms shall mean:

17 (1) Hotel. A building or portion of it which is regularly used and  
18 kept open as such for the lodging of guests. The term "hotel" includes  
19 an apartment hotel, a motel, boarding house or club, whether or not  
20 meals are served, and short-term rental units.

21 (2) Occupancy. The use or possession, or the right to the use or  
22 possession, of any room in a hotel. "Right to the use or possession"  
23 includes the rights of a room remarketer as described in paragraph eight  
24 of this subdivision.

25 (3) Occupant. A person who, for a consideration, uses, possesses, or  
26 has the right to use or possess, any room in a hotel under any lease,  
27 concession, permit, right of access, license to use or other agreement,  
28 or otherwise. "Right to use or possess" includes the rights of a room  
29 remarketer as described in paragraph eight of this subdivision.

30 (4) Operator. Any person operating a hotel. Such term shall include a  
31 room remarketer and such room remarketer shall be deemed to operate a  
32 hotel, or portion thereof, with respect to which such person has the  
33 rights of a room remarketer.

34 (5) Permanent resident. Any occupant of any room or rooms in a hotel  
35 for at least ninety consecutive days shall be considered a permanent  
36 resident with regard to the period of such occupancy.

37 (6) Rent. The consideration received for occupancy, including any  
38 service or other charge or amount required to be paid as a condition for  
39 occupancy, valued in money, whether received in money or otherwise and  
40 whether received by the operator ~~[or]~~, a booking service, a room remark-  
41 eter or another person on behalf of ~~[either]~~ any of them.

42 (7) Room. Any room or rooms of any kind in any part or portion of a  
43 hotel, which is available for or let out for any purpose other than a  
44 place of assembly.

45 (8) Room remarketer. A person who reserves, arranges for, conveys, or  
46 furnishes occupancy, whether directly or indirectly, to an occupant for  
47 rent in an amount determined by the room remarketer, directly or indi-  
48 rectly, whether pursuant to a written or other agreement. Such person's  
49 ability or authority to reserve, arrange for, convey, or furnish occu-  
50 pancy, directly or indirectly, and to determine rent therefor, shall be  
51 the "rights of a room remarketer". A room remarketer is not a permanent  
52 resident with respect to a room for which such person has the rights of  
53 a room remarketer. This term does not include a booking service unless  
54 such service otherwise meets this definition.

55 (9) Short-term rental unit. A short-term residential unit as defined  
56 in section twenty of the multiple residence law or in section twenty of

1 the multiple dwelling law which is registered with the department of  
2 state or a municipal registration system, which includes but is not  
3 limited to title twenty-six of the administrative code of the city of  
4 New York.

5 (10) Booking service. (i) A person or entity who, directly or indi-  
6 rectly:

7 (A) provides one or more online, computer or application-based plat-  
8 forms that individually or collectively can be used to:

9 (I) list or advertise offers for rental of a short-term rental unit,  
10 or space in a short-term rental unit, a type of a hotel as defined in  
11 paragraph one of this subdivision, and

12 (II) either accept such offers, or reserve or pay for such rentals;  
13 and

14 (B) charges, collects or receives a fee from a customer or host for  
15 the use of such a platform or for provision of any service in connection  
16 with the rental of a short-term rental unit, or space in a short-term  
17 rental unit, a type of a hotel as defined in paragraph one of this  
18 subdivision. For the purposes of this section, "customer" means an  
19 individual or organization that purchases a stay at a short-term rental.

20 (ii) A booking service shall not include a person or entity who facil-  
21 itates bookings of hotel rooms solely on behalf of affiliated persons or  
22 entities, including franchisees, operating under a shared hotel brand.

23 (iii) A booking service shall not include a person or entity who  
24 facilitates bookings of hotel rooms and does not collect and retain the  
25 rent paid for such occupancy, as defined by paragraph six of this subdi-  
26 vision.

27 § 4. Subdivision (e) of section 1105 of the tax law is amended by  
28 adding a new paragraph 3 to read as follows:

29 (3) The rent for every occupancy of a room or rooms in a short-term  
30 rental unit, or space in a short-term rental unit, a type of a hotel  
31 offered for rent through a booking service, as defined in paragraph ten  
32 of subdivision (c) of section eleven hundred one of this article,  
33 regardless of whether it is furnished, limited to a single family occu-  
34 pancy, or provides housekeeping, food, or other common hotel services,  
35 including, but not limited to, entertainment or planned activities.

36 § 5. Subdivision 1 of section 1131 of the tax law, as amended by  
37 section 2 of part G of chapter 59 of the laws of 2019, is amended to  
38 read as follows:

39 (1) "Persons required to collect tax" or "person required to collect  
40 any tax imposed by this article" shall include: every vendor of tangible  
41 personal property or services; every recipient of amusement charges;  
42 every operator of a hotel; ~~and~~ every marketplace provider with respect  
43 to sales of tangible personal property it facilitates as described in  
44 paragraph one of subdivision (e) of section eleven hundred one of this  
45 article; and booking services unless relieved of such obligation pursu-  
46 ant to paragraph three of subdivision (m) of section eleven hundred  
47 thirty-two of this part. Said terms shall also include any officer,  
48 director or employee of a corporation or of a dissolved corporation, any  
49 employee of a partnership, any employee or manager of a limited liabil-  
50 ity company, or any employee of an individual proprietorship who as such  
51 officer, director, employee or manager is under a duty to act for such  
52 corporation, partnership, limited liability company or individual  
53 proprietorship in complying with any requirement of this article, or has  
54 so acted; and any member of a partnership or limited liability company.  
55 Provided, however, that any person who is a vendor solely by reason of  
56 clause (D) or (E) of subparagraph (i) of paragraph (8) of subdivision

(b) of section eleven hundred one of this article shall not be a "person required to collect any tax imposed by this article" until twenty days after the date by which such person is required to file a certificate of registration pursuant to section eleven hundred thirty-four of this part.

§ 6. Section 1132 of the tax law is amended by adding a new subdivision (m) to read as follows:

(m) (1) A booking service shall be required to (i) collect from the occupants the applicable taxes arising from such occupancies; (ii) comply with all the provisions of this article and article twenty-nine of this chapter and any regulations adopted pursuant thereto; (iii) register to collect tax under section eleven hundred thirty-four of this part; and (iv) retain records and information as required by the commissioner and cooperate with the commissioner to ensure the proper collection and remittance of tax imposed, collected, or required to be collected under this article and article twenty-nine of this chapter.

(2) In carrying out the obligations imposed under this section, a booking service shall have all the duties, benefits, and entitlements of a person required to collect tax under this article and article twenty-nine of this chapter with respect to the occupancies giving rise to the tax obligation, including the right to accept a certificate or other documentation from an occupant substantiating an exemption or exclusion from tax, as if such booking service were the operator of the hotel with respect to such occupancy, including the right to receive the refund authorized by subdivision (e) of this section and the credit allowed by subdivision (f) of section eleven hundred thirty-seven of this part.

(3) An operator of a hotel is not a person required to collect tax for purposes of this part with respect to taxes imposed upon occupancies of hotels if:

(i) the operator of the hotel can show that the occupancy was facilitated by a booking service who is registered to collect tax pursuant to section eleven hundred thirty-four of this part; and

(ii) the operator of the hotel accepted from the booking service a properly completed certificate of collection in a form prescribed by the commissioner certifying that the booking service has agreed to assume the tax collection and filing responsibilities of the operator of the hotel; and

(iii) any failure of the booking service to collect the proper amount of tax with respect to such occupancy was not the result of the operator of the hotel providing incorrect information to the booking service, whether intentional or unintentional.

This provision shall be administered in a manner consistent with subparagraph (i) of paragraph one of subdivision (c) of this section as if a certificate of collection were a resale or exemption certificate for purposes of such subparagraph, including with regard to the completeness of such certificate of collection and the timing of its acceptance by the operator of the hotel; provided however, that with regard to any occupancies sold by an operator of the hotel that are facilitated by a booking service who is affiliated with such operator, the operator shall be deemed liable as a person under a duty to act for such booking service for purposes of subdivision one of section eleven hundred thirty-one of this part.

(4) The commissioner may, in his or her discretion develop standard language, or approve language developed by a booking service, in which the booking service obligates itself to collect the tax on behalf of all the operators of hotels.

1 (5) In the event an operator of a hotel is a room remarketer, and all  
2 other provisions of this subdivision are met such that a booking service  
3 is obligated to collect tax, and does in fact collect tax as evidenced  
4 by the books and records of such booking service, then the provisions of  
5 subdivision (e) of section eleven hundred nineteen of this article shall  
6 be applicable.

7 § 7. Paragraph 4 of subdivision (a) of section 1136 of the tax law, as  
8 amended by section 5 of part G of chapter 59 of the laws of 2019, is  
9 amended to read as follows:

10 (4) The return of a vendor of tangible personal property or services  
11 shall show such vendor's receipts from sales and the number of gallons  
12 of any motor fuel or diesel motor fuel sold and also the aggregate value  
13 of tangible personal property and services and number of gallons of such  
14 fuels sold by the vendor, the use of which is subject to tax under this  
15 article, and the amount of tax payable thereon pursuant to the  
16 provisions of section eleven hundred thirty-seven of this part. The  
17 return of a recipient of amusement charges shall show all such charges  
18 and the amount of tax thereon, and the return of an operator required to  
19 collect tax on rents shall show all rents received or charged and the  
20 amount of tax thereon. The return of a marketplace seller shall exclude  
21 the receipts from a sale of tangible personal property facilitated by a  
22 marketplace provider if, in regard to such sale: (A) the marketplace  
23 seller has timely received in good faith a properly completed certif-  
24 icate of collection from the marketplace provider or the marketplace  
25 provider has included a provision approved by the commissioner in the  
26 publicly-available agreement between the marketplace provider and the  
27 marketplace seller as described in subdivision one of section eleven  
28 hundred thirty-two of this part, and (B) the information provided by the  
29 marketplace seller to the marketplace provider about such tangible  
30 personal property is accurate. The return of a short-term rental host  
31 shall exclude the rent from occupancy of a short-term rental unit facil-  
32 itated by a booking service if, in regard to such sale: (A) the short-  
33 term rental host has timely received in good faith a properly completed  
34 certificate of collection from the booking service or the booking  
35 service has included a provision approved by the commissioner in the  
36 publicly-available agreement between the booking service and the short-  
37 term rental host as described in subdivision (m) of section eleven  
38 hundred thirty-two of this part, and (B) the information provided by the  
39 short-term rental host to the booking service about such rent and such  
40 occupancy is accurate.

41 § 8. Section 1142 of the tax law is amended by adding a new subdivi-  
42 sion 16 to read as follows:

43 16. To publish a list on the department's website of booking services  
44 whose certificates of authority have been revoked and, if necessary to  
45 protect sales tax revenue, provide by regulation or otherwise that a  
46 short-term rental unit operator will be relieved of the requirement to  
47 register and the duty to collect tax on the rent for occupancy of a  
48 short-term rental facilitated by a booking service provider only if, in  
49 addition to the conditions prescribed by paragraph two of subdivision  
50 (m) of section eleven hundred thirty-two and paragraph six of subdivi-  
51 sion (a) of section eleven hundred thirty-four of this part being met,  
52 such booking service is not on such list at the commencement of the  
53 quarterly period covered thereby.

54 § 9. Subpart A of part 1 of article 29 of the tax law is amended by  
55 adding a new section 1200 to read as follows:



§ 1200. Definition. For the purposes of this article "hotel" shall mean a building or portion of such building which is regularly used and kept open as such for the lodging of guests, including: (a) an apartment hotel, (b) a motel, (c) a boarding house or club, whether or not meals are served, and (d) short-term residential rental units as defined in subdivision one of section twenty of the multiple residence law or in subdivision one of section twenty of the multiple dwelling law.

§ 10. Notwithstanding any other provisions of law to the contrary, a county, city, town, or village government may enact a local law prohibiting or further limiting the listing or use of dwelling units, or portions thereof, as short-term residential rental units.

§ 11. Severability. If any provision of this act, or any application of any provision of this act, is held to be invalid, that shall not affect the validity or effectiveness of any other provision of this act, or of any other application of any provision of this act, which can be given effect without that provision or application; and to that end, the provisions and applications of this act are severable.

§ 12. This act shall take effect on the one hundred twentieth day after it shall have become a law.

#### PART L

Section 1. Section 493 of the tax law, as added by chapter 92 of the laws of 2021, is amended to read as follows:

§ 493. Imposition of tax. (a) There is hereby imposed a tax on adult-use cannabis products sold by a distributor to a person who sells adult-use cannabis products at retail at the ~~[following rates:~~

~~(1) cannabis flower at the rate of five tenths of one cent per milligram of the amount of total THC, as reflected on the product label,~~

~~(2) concentrated cannabis at the rate of eight tenths of one cent per milligram of the amount of total THC, as reflected on the product label, and~~

~~(3) cannabis edible product at the rate of three cents per milligram of the amount of total THC, as reflected on the product label. This tax shall accrue at the time of such sale or transfer. Where]~~ rate of: (1)

five percent of the amount charged for the sale or transfer of such adult-use cannabis products to such retailer for tax years ending before January first, two thousand twenty-eight; (2) seven percent of the amount charged for the sale or transfer of such adult-use cannabis products to such retailer for tax years beginning on or after January first, two thousand twenty-eight and ending before January first two thousand thirty-one; and (3) nine percent of the amount charged for the sale or transfer of such adult-use cannabis products to such retailer for tax years beginning on or after January first, two thousand thirty-one; provided that where a person who distributes adult-use cannabis is licensed under the cannabis law as a microbusiness or registered organization and such person sells adult-use cannabis products at retail, such person shall be liable for the tax, and such tax shall accrue at the time of the retail sale, and the amount subject to the tax imposed by this subdivision shall be seventy-five percent of the amount charged by such person for the sale or transfer of such products to a retail customer.

(b) In addition to any other tax imposed by this chapter or other law, there is hereby imposed a tax of nine percent of the amount charged for the sale or transfer of adult-use cannabis products to a retail customer by a person who sells adult-use cannabis products at retail. This tax is



1 imposed on the person who sells adult-use cannabis at retail and shall  
2 accrue at the time of such sale or transfer.

3 (c) In addition to the taxes imposed by subdivisions (a) and (b) of  
4 this section, there is hereby imposed a tax on the sale or transfer of  
5 adult-use cannabis products to a retail customer by a person who sells  
6 adult-use cannabis products at retail at the rate of four percent of the  
7 amount charged by such person for such adult-use cannabis product, which  
8 tax shall accrue at the time of such sale or transfer. The tax imposed  
9 by this subdivision is imposed on a person who sells adult-use cannabis  
10 products at retail, and shall be paid to the commissioner in trust for  
11 and on account of a city having a population of a million or more, and  
12 counties (other than counties wholly within such a city), towns,  
13 villages, and cities with a population of less than a million in which a  
14 retail dispensary is located.

15 (d) The taxes imposed by this section shall not apply to sales of  
16 adult-use cannabis to a person holding a cannabis research license under  
17 section thirty-nine of the cannabis law.

18 § 2. Subdivision (a) of section 496-b of the tax law, as added by  
19 chapter 92 of the laws of 2021, is amended to read as follows:

20 (a) The provisions of part four of article [~~twenty-seven~~] twenty-eight  
21 of this chapter shall apply to the taxes imposed by section four hundred  
22 ninety-three of this article in the same manner and with the same force  
23 and effect as if the language of such article had been incorporated in  
24 full into this section and had expressly referred to the tax imposed by  
25 this article, except to the extent that any provision of such article is  
26 either inconsistent with a provision of this article or is not relevant  
27 to this article.

28 § 3. This act shall take effect immediately; provided, however, that  
29 section one of this act shall apply to sales of adult-use cannabis  
30 products on or after June 1, 2024; and provided further, however,  
31 section two of this act shall apply to sales of adult-use cannabis  
32 products on or after December 1, 2024.

33 PART M

34 Intentionally Omitted

35 PART N

36 Section 1. Subdivision 1 of section 1102 of the real property tax law,  
37 as amended by chapter 532 of the laws of 1994, is amended to read as  
38 follows:

39 1. "Charges" or "legal charges" means:

40 (a) the cost of the mailing or service of notices required or author-  
41 ized by this article;

42 (b) the cost of publication of notices required or authorized by this  
43 title;

44 (c) the amount of any interest and penalties imposed by law;

45 (d) the cost of recording or filing legal documents required or  
46 authorized by this article; [~~and~~]

47 (e) the cost of appraising a property's value for the purpose of  
48 determining the existence and amount of any surplus pursuant to section  
49 eleven hundred ninety-six of this article;

50 (f) the reasonable and necessary cost of any search of the public  
51 record required or authorized to satisfy the notice requirements of this

1 article, and [~~the~~] other reasonable and necessary expenses [~~for legal~~  
2 ~~services of~~] incurred by a tax district in connection with a proceeding  
3 to foreclose a tax lien, including, and without limitation, administra-  
4 tive, auction and reasonable attorney fees and/or costs associated with  
5 the foreclosure process; provided, that: (i) a charge of up to [~~one~~]  
6 either two hundred fifty dollars per parcel, or two percent of the sum  
7 of the taxes, interest and penalties due on the parcel, whichever is  
8 greater, shall be deemed reasonable and necessary to cover the combined  
9 costs of such searches and [~~legal expenses~~] the other reasonable and  
10 necessary costs and expenses delineated in this paragraph, and such an  
11 amount may be charged without substantiation, even if salaried employees  
12 of the tax district performed [~~the search or legal~~] some or all of such  
13 services; and (ii) a tax district may charge a greater amount with  
14 respect to one or more parcels upon demonstration to the satisfaction of  
15 the court having jurisdiction that such greater amount was reasonable  
16 and necessary; and  
17 [~~(f)~~] (g) the amount owed to the tax district by virtue of a judgment  
18 lien, a mortgage lien, or any other lien held by the tax district that  
19 is not a delinquent tax lien.

20 Charges shall be deemed a part of the delinquent tax for purposes of  
21 redemption.

22 § 2. Subdivision 2 of section 1104 of the real property tax law, as  
23 amended by chapter 532 of the laws of 1994, paragraph (iii) as further  
24 amended by subdivision (b) of section 1 of part W of chapter 56 of the  
25 laws of 2010, is amended to read as follows:

26 2. The provisions of this article shall not be applicable to [~~a coun-~~  
27 ~~ty, city or town~~] any taxing jurisdiction which: (i) on January first,  
28 nineteen hundred ninety-three, was authorized to enforce the collection  
29 of delinquent taxes pursuant to a county charter, city charter, adminis-  
30 trative code or special law; (ii) adopted a local law, no later than  
31 July first, nineteen hundred ninety-four, providing that the collection  
32 of taxes in such [~~county, city or town~~] taxing jurisdiction shall  
33 continue to be enforced pursuant to such charter, code or special law,  
34 as such charter, code or special law may from time to time be amended;  
35 and (iii) filed a copy of such local law with the commissioner no later  
36 than August first, nineteen hundred ninety-four. Provided, however,  
37 that notwithstanding any provisions of any general, special or local law  
38 to the contrary, if such charter, code or special law does not include  
39 provisions allowing for any "surplus" as defined by section eleven  
40 hundred ninety-five of this article to be claimed by the former owner or  
41 other parties whose interests were extinguished by the foreclosure of a  
42 delinquent tax lien, then until such charter, code or special law is  
43 amended to comply with the provisions of title six of this article, any  
44 claims for surplus within such tax district shall be administered in a  
45 manner substantially similar to that prescribed by title six of this  
46 article; and provided further, that on or after the effective date of  
47 the chapter of the laws of two thousand twenty-four that amended this  
48 subdivision, all local taxing jurisdictions must provide protections to  
49 homeowners at least as protective as those prescribed in title six of  
50 this article.

51 § 3. Paragraph (d) of subdivision 2 of section 1136 of the real prop-  
52 erty tax law, as amended by chapter 532 of the laws of 1994, is amended  
53 to read as follows:

54 (d) In directing any conveyance pursuant to this subdivision, the  
55 judgment shall direct the enforcing officer of the tax district to  
56 prepare and execute a deed conveying title to the parcel or parcels of

1 real property concerned. Such title shall be full and complete in the  
2 absence of an agreement between tax districts as herein provided that it  
3 shall be subject to the tax liens of one or more tax districts. Upon the  
4 execution of such deed, the grantee shall be seized of an estate in fee  
5 simple absolute in such parcel unless the conveyance is expressly made  
6 subject to tax liens of a tax district as herein provided, and all  
7 persons, including the state, infants, incompetents, absentees and non-  
8 residents, who may have had any right, title, interest, claim, lien or  
9 equity of redemption in or upon such parcel, shall be barred and forever  
10 foreclosed of all such right, title, interest, claim, lien or equity of  
11 redemption. Nothing contained herein shall be construed to preclude any  
12 such person from filing a claim pursuant to title six of this article  
13 for a share of any surplus that may be attributable to the sale of such  
14 parcel.

15 § 4. Subdivision 3 of section 1136 of the real property tax law, as  
16 amended by chapter 532 of the laws of 1994, is amended to read as  
17 follows:

18 3. When no answer has been interposed. (a) The court shall make a  
19 final judgment awarding to such tax district the possession of any  
20 parcel of real property described in the petition of foreclosure not  
21 redeemed as provided in this title and as to which no answer is inter-  
22 posed as provided herein. In addition thereto such judgment shall  
23 contain a direction to the enforcing officer of the tax district to  
24 prepare, execute and cause to be recorded a deed conveying to such tax  
25 district full and complete title to such parcel.

26 (b) Alternatively, at the request of the enforcing officer, the court  
27 may make a final judgment authorizing the enforcing officer to prepare,  
28 execute and cause to be recorded a deed conveying full and complete  
29 title to such parcel directly to a party other than the tax district,  
30 without the tax district taking title thereto.

31 (c) Upon the execution of such deed, the tax district, or the grantee  
32 as the case may be, shall be seized of an estate in fee simple absolute  
33 in such parcel and all persons, including the state, infants, incompe-  
34 tents, absentees and non-residents who may have had any right, title,  
35 interest, claim, lien or equity of redemption in or upon such parcel  
36 shall be barred and forever foreclosed of all such right, title, inter-  
37 est, claim, lien or equity of redemption. Nothing contained herein  
38 shall be construed to preclude any such person from filing a claim  
39 pursuant to title six of this article for a share of any surplus that  
40 may be attributable to the sale of such parcel.

41 § 5. Section 1136 of the real property tax law is amended by adding a  
42 new subdivision 4 to read as follows:

43 4. (a) Notwithstanding any other provision of law to the contrary,  
44 when a parcel is subject to a judgment of foreclosure issued pursuant to  
45 this section but has not yet been conveyed to a third party, the tax  
46 district may, at its discretion, convey title to the parcel back to the  
47 former owner or owners, or to the successor or successors in interest if  
48 any, upon payment of the taxes, penalties, interest and other lawful  
49 charges owed to the tax district, subject to the provisions of paragraph  
50 (b) of this subdivision.

51 (b) If immediately prior to the issuance of the judgment of foreclo-  
52 sure, any other person had any right, title, interest, claim, lien or  
53 equity of redemption in or upon such parcel, the deed conveying the  
54 parcel back to the former owner or owners, or to their successor or  
55 successors in interest, shall state that the conveyance shall become  
56 subject to the right, title, interest, claim, lien or equity of redemp-

tion of any other person that had been extinguished by the judgment of foreclosure, once such right, title, interest, claim, lien or equity of redemption has been reinstated nunc pro tunc pursuant to the provisions of this paragraph. Upon the execution of such deed, the tax district shall cause a copy thereof to be filed with the court, which shall direct the reinstatement of any such right, title, interest, claim, lien or equity of redemption in such parcel nunc pro tunc.

§ 6. Section 1166 of the real property tax law, as amended by chapter 532 of the laws of 1994, subdivision 1 as amended by chapter 500 of the laws of 2015, is amended to read as follows:

§ 1166. Real property acquired by tax district; right of sale. 1. Whenever any tax district shall become vested with the title to real property, and whenever an enforcing officer shall have been authorized to sell and convey real property directly to another party, by virtue of a foreclosure proceeding brought pursuant to the provisions of this article, such tax district or enforcing officer is hereby authorized to sell and convey ~~the~~ such real property ~~so-acquired~~, which shall include any and all gas, oil or mineral rights associated with such real property, either with or without advertising for bids, notwithstanding the provisions of any general, special or local law.

2. No such sale shall be effective unless and until such sale shall have been approved and confirmed by a majority vote of the governing body of the tax district, except that no such approval shall be required when the property is sold at public auction to the highest bidder.

3. The provisions of title six of this article shall govern the distribution of any surplus attributable to such sales.

§ 6-a. The real property tax law is amended by adding a new section 1135 to read as follows:

§ 1135. Application for surplus. Any person claiming surplus arising from a tax district's enforcement of delinquent property taxes may, in lieu of filing an answer to the foreclosure proceeding, file with the clerk in whose office the report of sale is filed at any time before the confirmation of the report of sale, a written notice of such claim, stating the nature and extent of their claim and the address of the claimant or their attorney.

§ 7. Article 11 of the real property tax law is amended by adding a new title 6 to read as follows:

## TITLE 6

### DISTRIBUTION OF SURPLUS

Section 1195. Definitions.

1196. Determination of existence and amount of surplus.

1197. Claims for surplus.

1198. Notice of exemptions.

1199. Repayment plan.

1199-a. Pre-foreclosure settlement conferences.

§ 1195. Definitions. In addition to the definitions set forth in section eleven hundred two of this article, for purposes of this title:

1. "Public sale" means a sale resulting from a public auction conducted in accordance with the provisions of section two hundred thirty-one of the real property actions and proceedings law.

2. "Surplus" means the net gain, if any, realized by the tax district upon the sale of tax-foreclosed property, as determined in the manner set forth in section eleven hundred ninety-six of this article. Where no such gain was realized, no surplus shall be attributable to that sale.

1 3. "Tax-foreclosed property" means a parcel as to which a judgment of  
2 foreclosure has been issued pursuant to section eleven hundred thirty-  
3 six of this article.

4 § 1196. Determination of existence and amount of surplus. 1. Within  
5 forty-five days after the sale of tax-foreclosed property, the enforcing  
6 officer shall determine whether a surplus is attributable to such sale  
7 and if so, the amount thereof. Such determination shall be made by  
8 ascertaining the sum of the total amount of taxes due plus interest,  
9 penalties and other charges as defined by section eleven hundred two of  
10 this article, and subtracting such sum from whichever of the following  
11 is applicable:

12 (a) where the sale was a public sale, the amount paid for the proper-  
13 ty;

14 (b) where the sale was not a public sale, or where the tax district  
15 retains title to the property for a public use, an appraisal of the  
16 property conducted by a New York state licensed real estate appraiser to  
17 establish fair market value of the property at the time of the transfer  
18 of title; or

19 (c) by such other valuation method as the enforcing officer reasonably  
20 determines will result in just compensation to the former owner or other  
21 parties whose interests were extinguished by the foreclosure of a delin-  
22 quent tax lien as measured by the value of the property at the time of  
23 the transfer of title.

24 2. (a) If the enforcing officer determines that no surplus is attrib-  
25 utable to the sale, such enforcing officer shall submit a report to the  
26 court describing the circumstances of the sale, stating that no surplus  
27 was attributable to the sale and demonstrating how the enforcing officer  
28 reached that conclusion.

29 (b) If the enforcing officer determines that a surplus is attributable  
30 to the sale, such enforcing officer shall submit a report to the court  
31 describing the circumstances of the sale, stating that a surplus was  
32 attributable to the sale, and demonstrating how the amount of the  
33 surplus was determined. Such surplus shall be paid to the court there-  
34 with. Within ten days of submitting such report, the enforcing officer  
35 shall notify the former property owner that a surplus was attributable  
36 to the sale of such property, that such surplus has been paid into  
37 court, and that the court will notify the interested parties of the  
38 procedure to be followed in order to make a claim for a share of the  
39 surplus.

40 (c) Where the enforcing officer's determination of surplus is based  
41 upon such enforcing officer's estimate of the property's value, the  
42 enforcing officer's report to the court shall set forth an explanation  
43 of how this estimate was made, including the evidence upon which it was  
44 based.

45 3. Upon approval by the court of the enforcing officer's report, the  
46 tax district shall have no further responsibilities in relation to the  
47 parcel or any surplus attributable thereto, subject to the extent the  
48 court directs otherwise pursuant to section eleven hundred ninety-seven  
49 of this title.

50 § 1197. Claims for surplus. 1. Any person who had any right, title,  
51 interest, claim, lien or equity of redemption in or upon a parcel imme-  
52 diately prior to the issuance of the judgment of foreclosure may file a  
53 claim with the court having jurisdiction for a share of any surplus  
54 resulting from the sale of such property. Such claims shall be adminis-  
55 tered and adjudicated, and such surplus shall be distributed, in the  
56 same manner as in an action to foreclose a mortgage pursuant to article



1 thirteen of the real property actions and proceedings law, subject to  
2 the provisions of this section.

3 2. (a) Where the property was sold by a public sale, the amount paid  
4 for the property shall be accepted as the full value of the property.  
5 No party may maintain a claim for surplus or any other claim or action  
6 against the tax district on the basis that the amount paid for the prop-  
7 erty did not fairly represent the property's value.

8 (b) Where the property was sold by other than a public sale, a claim-  
9 ant may make a motion, upon notice to the enforcing officer, for the  
10 surplus to be recalculated on the basis that the property's full value  
11 on the date of the sale was substantially higher than the value used to  
12 measure the surplus pursuant to subparagraph (ii) of paragraph (a) of  
13 subdivision one of section eleven hundred ninety-six of this title. If  
14 the court or its referee finds that a preponderance of the evidence  
15 supports the claimant's position, the court may direct the enforcing  
16 officer to recalculate the surplus based upon the property's value as  
17 determined by the court or referee. The court may further direct the  
18 enforcing officer to pay the difference into court to be distributed as  
19 required by this section.

20 3. Where the court has appointed a referee to preside over the  
21 proceedings pursuant to subdivision two of section thirteen hundred  
22 sixty-one of the real property actions and proceedings law, it shall not  
23 be necessary for such referee to make a report of such proceedings; nor  
24 shall it be necessary for the court to confirm by order or otherwise  
25 such proceedings.

26 4. At the conclusion of such proceedings, any surplus funds that have  
27 not been claimed shall be deemed abandoned but shall be paid to the tax  
28 district, not to the state comptroller, and shall be used by the tax  
29 district to reduce its tax levy.

30 5. To the extent the provisions of article thirteen of the real prop-  
31 erty actions and proceedings law are inconsistent with the provisions of  
32 this article, the provisions of this article shall govern.

33 § 1198. Notice of exemptions. Tax districts shall include a statement  
34 on every property tax collection notice notifying homeowners of avail-  
35 able exemptions. The provision of this subdivision shall be met by  
36 providing a notice or legend sent on or with each tax bill to homeowners  
37 reading "IF YOU ARE A SENIOR CITIZEN, PHYSICALLY DISABLED, AND/OR A  
38 VETERAN, YOU MAY BE ENTITLED TO A PARTIAL EXEMPTION FROM PROPERTY  
39 TAXES", followed by the name and telephone number of a person or depart-  
40 ment selected by the tax district to respond to inquiries regarding tax  
41 exemptions, eligibility, and instructions on how to apply for such  
42 exemptions.

43 § 1199. Repayment plan. 1. In the case of primary residences with a  
44 tax delinquency exceeding five hundred dollars but less than thirty  
45 thousand dollars, owners shall be entitled to enter into a repayment  
46 plan to cure a tax delinquency at any time until the date of redemption;  
47 provided however, that each taxing jurisdiction shall have the power to  
48 increase the maximum threshold of thirty thousand dollars for tax  
49 arrears by passage of a local law, ordinance, or resolution.

50 2. The term of the repayment plan shall be twelve, eighteen, twenty-  
51 four, or thirty-six months, at the option of the owner. The amount due  
52 under the agreement shall be paid, as nearly as possible, in equal  
53 amounts on each payment due date. The amount of each such payment shall  
54 be determined by dividing the amount due by the number of required  
55 installment payments.



1     3. The owner shall be deemed to be in default of a payment plan agree-  
2 ment pursuant to this section upon the occurrence of any of the follow-  
3 ing events:

4     (a) Any installment payment is not made within forty-five days from  
5 the payment due date.

6     (b) Any current county tax, assessment, fee, or charge is not paid  
7 when due.

8     (c) The subject property is sold.

9     (d) The total principal amount in arrears exceeds thirty thousand  
10 dollars.

11     4. In the event of a default in payments, and after service of a twenty-  
12 day notice of default, the tax district shall have the right to  
13 require the entire unpaid balance, with interest, to be paid in full.

14     § 1199-a. Pre-foreclosure settlement conferences. 1. Notwithstanding  
15 any inconsistent general, special, or local law, local tax act, code,  
16 rule, regulation, or charter provision to the contrary, no taxing juris-  
17 isdiction shall commence a foreclosure action against any primary resident  
18 homeowner without first providing such homeowner with the notice  
19 required pursuant to section eleven hundred eighty-five-a of this arti-  
20 cle, and providing such homeowner an opportunity to engage in a pre-fo-  
21 reclosure settlement conference.

22     2. The purpose of such settlement conference shall be, at a minimum,  
23 to offer such homeowner information about their rights as enumerated in  
24 section eleven hundred eighty-five of this article, and to offer such  
25 homeowner to opt into a repayment plan as enumerated in section eleven  
26 hundred ninety-nine of this title. Such homeowner shall be informed at  
27 such settlement conferences that they shall have a minimum of fourteen  
28 days to decide upon a repayment plan of twelve, eighteen, twenty-four,  
29 or thirty-six months, as enumerated in section eleven hundred ninety-  
30 nine of this title, if they so opt to avail themselves of such repayment  
31 plan. No taxing jurisdiction shall initiate a foreclosure proceeding  
32 until and unless at least fourteen days have passed since the settlement  
33 conference has taken place and the primary resident homeowner has either  
34 not opted into a repayment plan, or has defaulted upon such repayment  
35 plan.

36     3. Housing counselors from New York-based homeowner protection program  
37 agencies may attend such settlement conferences, and may provide infor-  
38 mation to such homeowner at such settlement conferences.

39     4. Local taxing jurisdictions may conduct such pre-foreclosure settle-  
40 ment conferences in group settings or batches, and an in-person attend-  
41 ance option must be offered; provided however, that a homeowner's  
42 inability to attend such pre-foreclosure settlement conference shall not  
43 be a defense against a foreclosure action, so long as such homeowner was  
44 properly notified of such settlement conference, and a virtual attend-  
45 ance option was provided.

46     § 8. The real property tax law is amended by adding a new section 989  
47 to read as follows:

48     § 989. Procedure for accounting for and distributing surplus resulting  
49 from enforcing delinquent real property taxes via the sale of tax liens  
50 to third parties. Real property tax liens owned by third parties,  
51 including those tax liens sold pursuant to article fourteen of this  
52 chapter or pursuant to a local law or charter may only be enforced in  
53 the manner described in this section:

54     1. Upon written application and the surrender of the tax lien certifi-  
55 cate of sale, a treasurer's deed may be issued vesting in the tax lien  
56 certificate holder an absolute estate in fee, subject to all claims the

1 taxing jurisdiction or state may have thereon for taxes, liens or encum-  
2 brances, if (a) a New York state licensed real estate appraiser conducts  
3 an appraisal of the property prior to the issuance of the deed to estab-  
4 lish the property's fair market value and (b) the property's appraised  
5 value does not exceed the outstanding amount due the tax lien holder.  
6 The taxing jurisdiction must levy the cost of conducting the appraisal  
7 as a lien upon the property to be collected along with any other pending  
8 taxes, liens, or encumbrances; or

9 2. Notwithstanding any other law to the contrary, after the applicable  
10 redemption period has elapsed, an action to foreclose a tax sale certif-  
11 icate issued pursuant to article fourteen of this chapter or pursuant to  
12 a local law or charter may be commenced and maintained pursuant to the  
13 provisions of this title.

14 § 9. The real property tax law is amended by adding a new section 1185  
15 to read as follows:

16 § 1185. Homeowner bill of rights. Any owner of a residential property,  
17 as defined in section eleven hundred eleven of this article, who occu-  
18 pies such property as their primary residence, or whose heirs or distri-  
19 butees occupy the property as their primary residence where the homeown-  
20 er is deceased, or any purchaser of a contract for a residential  
21 property, or successor in interest to such purchaser, subject to a tax  
22 lien on any parcel of real property, including those liens otherwise  
23 exempt under this article, shall have the following rights:

24 1. notwithstanding any other general, special, or local law, local tax  
25 act, code, rule, regulation, or charter provision to the contrary, to  
26 not have exemptions removed or waived for nonpayment of property taxes;

27 2. to be informed of the amount of tax due, the number of tax years  
28 for which the parcel has been in arrears, the date on which the redemp-  
29 tion period ends, the accepted forms of payment, the location where  
30 payments shall be made, and the contact information for the responsible  
31 taxing authority;

32 3. to receive pre-foreclosure notices pursuant to section eleven  
33 hundred eighty-five-a of this title;

34 4. in the event that a residence is foreclosed upon, to receive any  
35 surplus following the sale of the property after the tax lien is satis-  
36 fied ahead of unsecured creditors pursuant to section fifty-two hundred  
37 six of the civil practice law and rules;

38 5. for real property tax lien-related foreclosures to be judicial  
39 proceedings;

40 6. to be charged an amount no higher than the statutory interest rate  
41 for delinquencies, along with various collection and administrative fees  
42 in the event of foreclosure;

43 7. to enter into installment plans for purposes of paying taxes and  
44 paying delinquent taxes;

45 8. local governments are authorized to give a five business day grace  
46 period for senior citizens who are eligible for enhanced STAR to pay  
47 their taxes with no penalties;

48 9. homeowner payments toward delinquent taxes will apply in reverse  
49 chronological order of when the liens become due; and

50 10. in the event that a primary residence is foreclosed upon, to have  
51 all debts related to delinquent taxes owed on such primary residence  
52 extinguished.

53 § 10. The real property tax law is amended by adding a new section  
54 1185-a to read as follows:

§ 1185-a. Pre-foreclosure notices. 1. The pre-foreclosure notice required in subdivision three of section eleven hundred eighty-five of this title shall appear as follows:

"YOU MAY BE AT RISK OF FORECLOSURE ON A PROPERTY TAX LIEN. PLEASE READ THE FOLLOWING NOTICE CAREFULLY.

As of (date), your property taxes have not been paid for the following years and amounts each year:

The total needed to pay off all tax arrears as of the date of this notice is:

Under New York State law, we are required to send you this notice to inform you that you are at risk of losing your home.

Attached to this notice is a list of government approved housing counseling agencies in your area which provide free counseling. You can also call the NYS Office of the Attorney General's Homeowner Protection Program (HOPP) toll-free consumer hotline to be connected to free housing counseling or legal services in your area at 1-855-HOME-456 (1-855-466-3456), or visit their website at <http://www.aghomehelp.com>. A state-wide listing by county is also available at [https://www.dfs.ny.gov/consumers/help\\_for\\_homeowners/new\\_york\\_state\\_non-profit\\_housing\\_counseling\\_agencies](https://www.dfs.ny.gov/consumers/help_for_homeowners/new_york_state_non-profit_housing_counseling_agencies). Qualified free help is available; watch out for companies or people who charge a fee for these services.

Housing counselors from New York-based agencies listed on the website above are trained to help homeowners who are having problems making their tax payments and can help you find the best option for your situation.

If you wish, you may also contact our office directly to discuss possible payment plans and other options.

PLEASE NOTE THAT IF YOU ARE A SENIOR CITIZEN, PHYSICALLY DISABLED, AND/OR A VETERAN, YOU MAY BE ENTITLED TO A PARTIAL EXEMPTION FROM PROPERTY TAXES.

The following exemptions that local rules may allow that could prevent foreclosure in your case are:

Senior Citizen

Veteran

Physical Disability

We encourage you to contact us at the telephone number above if you have any questions about whether you qualify for any of these exemptions.

While we cannot assure that a mutually agreeable resolution is possible, we encourage you to take immediate steps to try to achieve a resolution.

The longer you wait, the fewer options you may have.

If you have not taken any actions to resolve this matter within 90 days from the date this notice was mailed (or sooner if you cease to live in the dwelling as your primary residence), we may commence legal action or other remedies against you to foreclose the tax lien, which may eventually result in eviction from your home.

Under New York State law, you may be barred from entering into a payment plan or from being permitted to make any payment to save your home after the "Redemption Date".

In your case, the "Redemption Date" is (date).

IMPORTANT: You have the right to remain in your home until you receive a court order telling you to leave the property; however, you may lose the right to continue ownership of your home after the Redemption Date. If a foreclosure action is filed against you in court, you still have the right to remain in the home until a court orders you to leave.

1 This notice is not an eviction notice, and a foreclosure action has  
2 not yet been commenced against you."

3 2. The notice required in subdivision three of section eleven hundred  
4 eighty-five of this title shall be sent by such taxing authority or  
5 purchaser of delinquent tax liens to the homeowner (or heirs or distri-  
6 butees if the homeowner is deceased), by registered or certified mail  
7 and also by first-class mail to the last known address of the homeowner,  
8 and to the residence subject to the tax lien. The notices required by  
9 subdivision three of section eleven hundred eighty-five of this title  
10 shall be sent by the taxing authority or purchaser of delinquent tax  
11 liens in a separate envelope from any other mailing or notice. Notice  
12 is considered given as of the date it is mailed. The notice required by  
13 subdivision three of section eleven hundred eighty-five of this title  
14 shall contain a current list of at least five housing counseling agen-  
15 cies, or if there are less than five such agencies in such county, a  
16 listing of every such housing counseling agency serving the county where  
17 the property is located from the most recent listing available from the  
18 department of financial services. The list shall include the counseling  
19 agencies' last known addresses and telephone numbers. The department of  
20 financial services shall make available on its website a listing, by  
21 county, of such agencies. The taxing authority or purchaser of delin-  
22 quent tax liens shall use such lists to meet the requirements of this  
23 section.

24 3. For any homeowner known to have limited English proficiency, the  
25 notice required by subdivision three of section eleven hundred eighty-  
26 five of this title shall be in the homeowner's native language, or a  
27 language in which the homeowner is proficient, provided that the  
28 language is one of the six most common non-English languages spoken by  
29 individuals with limited English proficiency in the state of New York,  
30 based on United States census data. The department of financial services  
31 shall post the notices required by subdivision three of section eleven  
32 hundred eighty-five of this title on its website in the six most common  
33 non-English languages spoken by individuals with limited English profi-  
34 ciency in the state of New York, based on the United States census data.

35 § 11. Section 1104 of the real property tax law is amended by adding  
36 two new subdivisions 3 and 4 to read as follows:

37 3. Notwithstanding the provisions of subdivision two of this section,  
38 every taxing jurisdiction shall comply with the requirements of sections  
39 eleven hundred eighty-five and eleven hundred eighty-five-a of this  
40 article.

41 4. Notwithstanding the provisions of subdivision two of this section,  
42 every taxing jurisdiction shall comply with procedures at least as  
43 protective of homeowners as the requirements of title six of this arti-  
44 cle.

45 § 12. The real property tax law is amended by adding a new section  
46 1157 to read as follows:

47 § 1157. Assistance to vulnerable populations. In every notice of  
48 unpaid taxes, notice of arrears included in tax statements, personal  
49 notice of commencement of foreclosure proceeding or tax lien sale, the  
50 tax district and foreclosing government unit must include information  
51 about a housing counseling agency or agencies funded by the New York  
52 state office of the attorney general's homeowner protection program in  
53 the region in which the property is located. At the same time a tax  
54 district or foreclosing government unit issues a notice of unpaid taxes,  
55 notice of arrears included in tax statements, and personal notice of  
56 commencement of foreclosure proceeding or tax lien sale, the tax

district and foreclosing government unit must send a copy of the property owner's name, address and telephone number, if available, to a housing counseling agency or agencies funded by the New York state office of the attorney general's homeowner protection program in the region where the property is located for the purpose of that agency making the homeowner aware of free foreclosure prevention services and options available to the parties.

§ 13. The social services law is amended by adding a new section 97-a to read as follows:

§ 97-a. Senior, disabled, and veteran homeowner real property tax assistance program. 1. Each social services district must assist eligible households found in such districts to obtain real property tax assistance. However, only those persons who qualify for senior, disabled, or veterans' assistance in accordance with state requirements, and standards promulgated by the department, shall be certified as eligible for and entitled to receive said homeowner real property tax assistance. No person shall be certified as eligible for and entitled to receive said real property tax assistance if no funds are available for such purpose.

2. Notwithstanding any inconsistent provision of law, rule, or regulation to the contrary, the amount of any real property tax payments or allowances provided to an eligible household under this program shall not be considered income or resources of such households, or of any member thereof, for any purpose under any federal or state law, including any law relating to taxation, food stamps, public assistance or other benefits available pursuant to this chapter.

§ 14. Subdivision 1 of section 924-a of the real property tax law, as amended by chapter 26 of the laws of 2003, is amended to read as follows:

1. The amount of interest to be added on all taxes received after the interest free period and all delinquent taxes shall be [one-twelfth the rate of interest as determined pursuant to subdivision two or two-a of this section rounded to the nearest one-hundredth of a percentage point] equal to the effective prime rate as reported by the federal reserve in its "selected interest rates" publication, except as otherwise provided by a general or special law, or a local law, ordinance, or resolution adopted by a [city] taxing jurisdiction pursuant to the municipal home rule law or any special law. Such interest shall be added for each month or fraction thereof until such taxes are paid; provided however, that notwithstanding any inconsistent general, special, or local law, local tax act, code, rule, regulation, ordinance or charter provision to the contrary, beginning in all local fiscal years commencing in calendar year two thousand twenty-five and thereafter, in no case shall the interest rate of delinquent tax payments due on residential real property exceed the effective prime rate as reported by the federal reserve in its "selected interest rates" publication and as determined by the commissioner of taxation and finance; and provided further, that in no instance shall the interest rate exceed two per centum per annum or exceed sixteen per centum per annum; and provided further, that this limitation shall apply to units held in condominium form; and provided further, that such limitation shall apply to all buildings held in cooperative form regardless of owner occupancy status; and provided further, that this limitation shall not apply to real property that is vacant and abandoned, as defined in subdivision two of section thirteen hundred nine of the real property actions and proceedings law, which was listed on the statewide vacant and abandoned property electronic registry, as



1 defined in section thirteen hundred ten of the real property actions and  
2 proceedings law, and remains on such registry. This subdivision shall  
3 supersede any general, special or local law, local tax act, code, rule,  
4 regulation, ordinance or charter provision setting an interest rate  
5 above sixteen per centum per annum or below two per centum per annum of  
6 delinquent tax payments due on residential real property. The initial  
7 determination of the effective prime rate shall be based on the two  
8 thousand twenty-five rate as reported by the federal reserve in its  
9 "selected interest rates" publication, and shall be established by the  
10 commissioner of taxation and finance. Subsequent determinations shall  
11 take place every three years thereafter, and shall be adjusted by the  
12 commissioner only when such rate increases or decreases by more than two  
13 percent since the last adjustment.

14 § 15. Section 972 of the real property tax law is amended by adding a  
15 new subdivision 6 to read as follows:

16 6. Installment plans. Notwithstanding any inconsistent general,  
17 special, or local law, local tax act, code, rule, regulation, or charter  
18 provision to the contrary, beginning in all local fiscal years commenc-  
19 ing in calendar year two thousand twenty-five and thereafter, all local  
20 taxing jurisdictions shall offer an option for taxpayers to enter into  
21 installment plans which shall permit collection of taxes on at least a  
22 quarterly basis.

23 § 16. Severability clause. If any clause, sentence, paragraph, subdivi-  
24 sion, section or subpart contained in any part of this act shall be  
25 adjudged by any court of competent jurisdiction to be invalid, such  
26 judgment shall not affect, impair, or invalidate the remainder thereof,  
27 but shall be confined in its operation to the clause, sentence, para-  
28 graph, subdivision, section or subpart contained in any part thereof  
29 directly involved in the controversy in which such judgment shall have  
30 been rendered. It is hereby declared to be the intent of the legislature  
31 that this act would have been enacted even if such invalid provisions  
32 had not been included herein.

33 § 17. This act shall take effect immediately and shall be deemed to  
34 have been in full force and effect on and after May 25, 2023, provided  
35 that:

36 1. In a tax district that is subject to the provisions of title 6 of  
37 article 11 of the real property tax law, as added by section seven of  
38 this act, where a tax-foreclosed property has been sold on or after May  
39 25, 2023 and prior to the effective date of this act, the enforcing  
40 officer of the tax district shall have six months from the effective  
41 date of this act to submit to the court the report required by section  
42 1196 of the real property tax law as added by section seven of this act  
43 regarding the existence and amount of surplus and to pay such surplus to  
44 the court.

45 2. Whether or not a tax district is subject to the provisions of title  
46 6 of article 11 of the real property tax law, as added by section seven  
47 of this act, where a tax-foreclosed property was sold prior to May 25,  
48 2023, a claim for surplus attributable to such sale may be maintained if  
49 and only if a proceeding to compel such tax district to distribute such  
50 surplus to the petitioner or petitioners had been initiated pursuant to  
51 subdivision 1 of section 7803 of the civil practice law and rules, such  
52 proceeding was commenced in a timely manner as provided by section 217  
53 of such chapter, and such proceeding was still active on the effective  
54 date of this act.

1 Section 1. Subdivision 2 of section 509-a of the racing, pari-mutuel  
2 wagering and breeding law, as amended by section 1 of part 00 of chapter  
3 56 of the laws of 2023, is amended to read as follows:

4 2. a. Notwithstanding any other provision of law or regulation to the  
5 contrary, from April nineteenth, two thousand twenty-one to March thirty-  
6 ty-first, two thousand twenty-two, twenty-three percent of the funds,  
7 not to exceed two and one-half million dollars, in the Catskill off-  
8 track betting corporation's capital acquisition fund and twenty-three  
9 percent of the funds, not to exceed four hundred forty thousand dollars,  
10 in the Capital off-track betting corporation's capital acquisition fund  
11 established pursuant to this section shall also be available to such  
12 off-track betting corporation for the purposes of statutory obligations,  
13 payroll, and expenditures necessary to accept authorized wagers.

14 b. Notwithstanding any other provision of law or regulation to the  
15 contrary, from April first, two thousand twenty-two to March thirty-  
16 first, two thousand twenty-three, twenty-three percent of the funds, not  
17 to exceed two and one-half million dollars, in the Catskill off-track  
18 betting corporation's capital acquisition fund established pursuant to  
19 this section, and twenty-three percent of the funds, not to exceed four  
20 hundred forty thousand dollars, in the Capital off-track betting corpo-  
21 ration's capital acquisition fund established pursuant to this section,  
22 shall be available to such off-track betting corporations for the  
23 purposes of statutory obligations, payroll, and expenditures necessary  
24 to accept authorized wagers.

25 c. Notwithstanding any other provision of law or regulation to the  
26 contrary, from April first, two thousand twenty-three to March thirty-  
27 first, two thousand twenty-four, twenty-three percent of the funds, not  
28 to exceed two and one-half million dollars, in the Catskill off-track  
29 betting corporation's capital acquisition fund established pursuant to  
30 this section, and one million dollars in the Capital off-track betting  
31 corporation's capital acquisition fund established pursuant to this  
32 section, shall be available to such off-track betting corporation for  
33 the purposes of expenditures necessary to accept authorized wagers; past  
34 due statutory obligations to New York licensed or franchised racing  
35 corporations or associations; past due contractual obligations due to  
36 other racing associations or organizations for the costs of acquiring a  
37 simulcast signal; past due statutory payment obligations due to the New  
38 York state thoroughbred breeding and development fund corporation, agri-  
39 culture and New York state horse breeding development fund, and the  
40 Harry M. Zweig memorial fund for equine research; and past due obli-  
41 gations due the state.

42 d. Notwithstanding any other provision of law or regulation to the  
43 contrary, from April first, two thousand twenty-four to March thirty-  
44 first, two thousand twenty-five, twenty-three percent of the funds, not  
45 to exceed two and one-half million dollars, in the Catskill off-track  
46 betting corporation's capital acquisition fund established pursuant to  
47 this section, and one million dollars in the Capital off-track betting  
48 corporation's capital acquisition fund established pursuant to this  
49 section, shall be available to such off-track betting corporation for  
50 the purposes of expenditures necessary to accept authorized wagers; past  
51 due statutory obligations to New York licensed or franchised racing  
52 corporations or associations; past due contractual obligations due to  
53 other racing associations or organizations for the costs of acquiring a  
54 simulcast signal; past due statutory payment obligations due to the New  
55 York state thoroughbred breeding and development fund corporation, agri-  
56 culture and New York state horse breeding development fund, and the

Harry M. Zweig memorial fund for equine research; and past due obligations due the state.

e. Prior to a corporation being able to utilize the funds authorized by paragraph c or d of this subdivision, the corporation must attest that the surcharge monies from section five hundred thirty-two of this chapter are being held separate and apart from any amounts otherwise authorized to be retained from pari-mutuel pools and all surcharge monies have been and will continue to be paid to the localities as prescribed in law. Once this condition is satisfied, the corporation must submit an expenditure plan to the gaming commission for review. Such plan shall include the corporation's outstanding liabilities, projected revenue for the upcoming year, a detailed explanation of how the funds will be used, and any other information necessary to detail such plan as determined by the commission. Upon review, the commission shall make a determination as to whether the requirements of this paragraph have been satisfied and notify the corporation of expenditure plan approval. In the event the commission determines the requirements of this paragraph have not been satisfied, the commission shall notify the corporation of all deficiencies necessary for approval. As a condition of such expenditure plan approval, the corporation shall provide a report to the commission no later than [~~October first, two thousand twenty-three~~] the last day of the calendar year for which the funds are requested, which shall include an accounting of the use of such funds. At such time, the commission may cause an independent audit to be conducted of the corporation's books to ensure that all moneys were spent as indicated in such approved plan. The audit shall be paid for from money in the fund established by this section. If the audit determines that a corporation used the money authorized under this section for a purpose other than one listed in their expenditure plan, then the corporation shall reimburse the capital acquisition fund for the unauthorized amount.

§ 2. This act shall take effect immediately.

PART P

Section 1. Paragraph (a) of subdivision 1 of section 1003 of the racing, pari-mutuel wagering and breeding law, as amended by section 1 of part BB of chapter 59 of the laws of 2023, is amended to read as follows:

(a) Any racing association or corporation or regional off-track betting corporation, authorized to conduct pari-mutuel wagering under this chapter, desiring to display the simulcast of horse races on which pari-mutuel betting shall be permitted in the manner and subject to the conditions provided for in this article may apply to the commission for a license so to do. Applications for licenses shall be in such form as may be prescribed by the commission and shall contain such information or other material or evidence as the commission may require. No license shall be issued by the commission authorizing the simulcast transmission of thoroughbred races from a track located in Suffolk county. The fee for such licenses shall be five hundred dollars per simulcast facility and for account wagering licensees that do not operate either a simulcast facility that is open to the public within the state of New York or a licensed racetrack within the state, twenty thousand dollars per year payable by the licensee to the commission for deposit into the general fund. Except as provided in this section, the commission shall not approve any application to conduct simulcasting into individual or group

1 residences, homes or other areas for the purposes of or in connection  
2 with pari-mutuel wagering. The commission may approve simulcasting into  
3 residences, homes or other areas to be conducted jointly by one or more  
4 regional off-track betting corporations and one or more of the follow-  
5 ing: a franchised corporation, thoroughbred racing corporation or a  
6 harness racing corporation or association; provided (i) the simulcasting  
7 consists only of those races on which pari-mutuel betting is authorized  
8 by this chapter at one or more simulcast facilities for each of the  
9 contracting off-track betting corporations which shall include wagers  
10 made in accordance with section one thousand fifteen, one thousand  
11 sixteen and one thousand seventeen of this article; provided further  
12 that the contract provisions or other simulcast arrangements for such  
13 simulcast facility shall be no less favorable than those in effect on  
14 January first, two thousand five; (ii) that each off-track betting  
15 corporation having within its geographic boundaries such residences,  
16 homes or other areas technically capable of receiving the simulcast  
17 signal shall be a contracting party; (iii) the distribution of revenues  
18 shall be subject to contractual agreement of the parties except that  
19 statutory payments to non-contracting parties, if any, may not be  
20 reduced; provided, however, that nothing herein to the contrary shall  
21 prevent a track from televising its races on an irregular basis primari-  
22 ly for promotional or marketing purposes as found by the commission. For  
23 purposes of this paragraph, the provisions of section one thousand thir-  
24 teen of this article shall not apply. Any agreement authorizing an  
25 in-home simulcasting experiment commencing prior to May fifteenth, nine-  
26 teen hundred ninety-five, may, and all its terms, be extended until June  
27 thirtieth, two thousand [~~twenty-four~~] twenty-five; provided, however,  
28 that any party to such agreement may elect to terminate such agreement  
29 upon conveying written notice to all other parties of such agreement at  
30 least forty-five days prior to the effective date of the termination,  
31 via registered mail. Any party to an agreement receiving such notice of  
32 an intent to terminate, may request the commission to mediate between  
33 the parties new terms and conditions in a replacement agreement between  
34 the parties as will permit continuation of an in-home experiment until  
35 June thirtieth, two thousand [~~twenty-four~~] twenty-five; and (iv) no  
36 in-home simulcasting in the thoroughbred special betting district shall  
37 occur without the approval of the regional thoroughbred track.

38 § 2. Subparagraph (iii) of paragraph d of subdivision 3 of section  
39 1007 of the racing, pari-mutuel wagering and breeding law, as amended by  
40 section 2 of part BB of chapter 59 of the laws of 2023, is amended to  
41 read as follows:

42 (iii) Of the sums retained by a receiving track located in Westchester  
43 county on races received from a franchised corporation, for the period  
44 commencing January first, two thousand eight and continuing through June  
45 thirtieth, two thousand [~~twenty-four~~] twenty-five, the amount used  
46 exclusively for purses to be awarded at races conducted by such receiv-  
47 ing track shall be computed as follows: of the sums so retained, two and  
48 one-half percent of the total pools. Such amount shall be increased or  
49 decreased in the amount of fifty percent of the difference in total  
50 commissions determined by comparing the total commissions available  
51 after July twenty-first, nineteen hundred ninety-five to the total  
52 commissions that would have been available to such track prior to July  
53 twenty-first, nineteen hundred ninety-five.

54 § 3. The opening paragraph of subdivision 1 of section 1014 of the  
55 racing, pari-mutuel wagering and breeding law, as amended by section 3

1 of part BB of chapter 59 of the laws of 2023, is amended to read as  
2 follows:

3 The provisions of this section shall govern the simulcasting of races  
4 conducted at thoroughbred tracks located in another state or country on  
5 any day during which a franchised corporation is conducting a race meet-  
6 ing in Saratoga county at Saratoga thoroughbred racetrack until June  
7 thirtieth, two thousand [~~twenty-four~~] twenty-five and on any day regard-  
8 less of whether or not a franchised corporation is conducting a race  
9 meeting in Saratoga county at Saratoga thoroughbred racetrack after June  
10 thirtieth, two thousand [~~twenty-four~~] twenty-five. On any day on which a  
11 franchised corporation has not scheduled a racing program but a  
12 thoroughbred racing corporation located within the state is conducting  
13 racing, each off-track betting corporation branch office and each simul-  
14 casting facility licensed in accordance with section one thousand seven  
15 (that has entered into a written agreement with such facility's repre-  
16 sentative horsemen's organization, as approved by the commission), one  
17 thousand eight, or one thousand nine of this article shall be authorized  
18 to accept wagers and display the live simulcast signal from thoroughbred  
19 tracks located in another state or foreign country subject to the  
20 following provisions:

21 § 4. Subdivision 1 of section 1015 of the racing, pari-mutuel wagering  
22 and breeding law, as amended by section 4 of part BB of chapter 59 of  
23 the laws of 2023, is amended to read as follows:

24 1. The provisions of this section shall govern the simulcasting of  
25 races conducted at harness tracks located in another state or country  
26 during the period July first, nineteen hundred ninety-four through June  
27 thirtieth, two thousand [~~twenty-four~~] twenty-five. This section shall  
28 supersede all inconsistent provisions of this chapter.

29 § 5. The opening paragraph of subdivision 1 of section 1016 of the  
30 racing, pari-mutuel wagering and breeding law, as amended by section 5  
31 of part BB of chapter 59 of the laws of 2023, is amended to read as  
32 follows:

33 The provisions of this section shall govern the simulcasting of races  
34 conducted at thoroughbred tracks located in another state or country on  
35 any day during which a franchised corporation is not conducting a race  
36 meeting in Saratoga county at Saratoga thoroughbred racetrack until June  
37 thirtieth, two thousand [~~twenty-four~~] twenty-five. Every off-track  
38 betting corporation branch office and every simulcasting facility  
39 licensed in accordance with section one thousand seven that have entered  
40 into a written agreement with such facility's representative horsemen's  
41 organization as approved by the commission, one thousand eight or one  
42 thousand nine of this article shall be authorized to accept wagers and  
43 display the live full-card simulcast signal of thoroughbred tracks  
44 (which may include quarter horse or mixed meetings provided that all  
45 such wagering on such races shall be construed to be thoroughbred races)  
46 located in another state or foreign country, subject to the following  
47 provisions; provided, however, no such written agreement shall be  
48 required of a franchised corporation licensed in accordance with section  
49 one thousand seven of this article:

50 § 6. The opening paragraph of section 1018 of the racing, pari-mutuel  
51 wagering and breeding law, as amended by section 6 of part BB of chapter  
52 59 of the laws of 2023, is amended to read as follows:

53 Notwithstanding any other provision of this chapter, for the period  
54 July twenty-fifth, two thousand one through September eighth, two thou-  
55 sand [~~twenty-three~~] twenty-four, when a franchised corporation is  
56 conducting a race meeting within the state at Saratoga Race Course,



1 every off-track betting corporation branch office and every simulcasting  
2 facility licensed in accordance with section one thousand seven (that  
3 has entered into a written agreement with such facility's representative  
4 horsemen's organization as approved by the commission), one thousand  
5 eight or one thousand nine of this article shall be authorized to accept  
6 wagers and display the live simulcast signal from thoroughbred tracks  
7 located in another state, provided that such facility shall accept  
8 wagers on races run at all in-state thoroughbred tracks which are  
9 conducting racing programs subject to the following provisions;  
10 provided, however, no such written agreement shall be required of a  
11 franchised corporation licensed in accordance with section one thousand  
12 seven of this article.

13 § 7. Section 32 of chapter 281 of the laws of 1994, amending the  
14 racing, pari-mutuel wagering and breeding law and other laws relating to  
15 simulcasting, as amended by section 7 of part BB of chapter 59 of the  
16 laws of 2023, is amended to read as follows:

17 § 32. This act shall take effect immediately and the pari-mutuel tax  
18 reductions in section six of this act shall expire and be deemed  
19 repealed on July 1, [~~2024~~] 2025; provided, however, that nothing  
20 contained herein shall be deemed to affect the application, qualifica-  
21 tion, expiration, or repeal of any provision of law amended by any  
22 section of this act, and such provisions shall be applied or qualified  
23 or shall expire or be deemed repealed in the same manner, to the same  
24 extent and on the same date as the case may be as otherwise provided by  
25 law; provided further, however, that sections twenty-three and twenty-  
26 five of this act shall remain in full force and effect only until May 1,  
27 1997 and at such time shall be deemed to be repealed.

28 § 8. Section 54 of chapter 346 of the laws of 1990, amending the  
29 racing, pari-mutuel wagering and breeding law and other laws relating to  
30 simulcasting and the imposition of certain taxes, as amended by section  
31 8 of part BB of chapter 59 of the laws of 2023, is amended to read as  
32 follows:

33 § 54. This act shall take effect immediately; provided, however,  
34 sections three through twelve of this act shall take effect on January  
35 1, 1991, and section 1013 of the racing, pari-mutuel wagering and breed-  
36 ing law, as added by section thirty-eight of this act, shall expire and  
37 be deemed repealed on July 1, [~~2024~~] 2025; and section eighteen of this  
38 act shall take effect on July 1, 2008 and sections fifty-one and fifty-  
39 two of this act shall take effect as of the same date as chapter 772 of  
40 the laws of 1989 took effect.

41 § 9. Paragraph (a) of subdivision 1 of section 238 of the racing,  
42 pari-mutuel wagering and breeding law, as amended by section 9 of part  
43 BB of chapter 59 of the laws of 2023, is amended to read as follows:

44 (a) The franchised corporation authorized under this chapter to  
45 conduct pari-mutuel betting at a race meeting or races run thereat shall  
46 distribute all sums deposited in any pari-mutuel pool to the holders of  
47 winning tickets therein, provided such tickets are presented for payment  
48 before April first of the year following the year of their purchase,  
49 less an amount that shall be established and retained by such franchised  
50 corporation of between twelve to seventeen percent of the total deposits  
51 in pools resulting from on-track regular bets, and fourteen to twenty-  
52 one percent of the total deposits in pools resulting from on-track  
53 multiple bets and fifteen to twenty-five percent of the total deposits  
54 in pools resulting from on-track exotic bets and fifteen to thirty-six  
55 percent of the total deposits in pools resulting from on-track super

1 exotic bets, plus the breaks. The retention rate to be established is  
2 subject to the prior approval of the commission.

3 Such rate may not be changed more than once per calendar quarter to be  
4 effective on the first day of the calendar quarter. "Exotic bets" and  
5 "multiple bets" shall have the meanings set forth in section five  
6 hundred nineteen of this chapter. "Super exotic bets" shall have the  
7 meaning set forth in section three hundred one of this chapter. For  
8 purposes of this section, a "pick six bet" shall mean a single bet or  
9 wager on the outcomes of six races. The breaks are hereby defined as the  
10 odd cents over any multiple of five for payoffs greater than one dollar  
11 five cents but less than five dollars, over any multiple of ten for  
12 payoffs greater than five dollars but less than twenty-five dollars,  
13 over any multiple of twenty-five for payoffs greater than twenty-five  
14 dollars but less than two hundred fifty dollars, or over any multiple of  
15 fifty for payoffs over two hundred fifty dollars. Out of the amount so  
16 retained there shall be paid by such franchised corporation to the  
17 commissioner of taxation and finance, as a reasonable tax by the state  
18 for the privilege of conducting pari-mutuel betting on the races run at  
19 the race meetings held by such franchised corporation, the following  
20 percentages of the total pool for regular and multiple bets five percent  
21 of regular bets and four percent of multiple bets plus twenty percent of  
22 the breaks; for exotic wagers seven and one-half percent plus twenty  
23 percent of the breaks, and for super exotic bets seven and one-half  
24 percent plus fifty percent of the breaks.

25 For the period April first, two thousand one through December thirty-  
26 first, two thousand [~~twenty-four~~ twenty-five], such tax on all wagers  
27 shall be one and six-tenths percent, plus, in each such period, twenty  
28 percent of the breaks. Payment to the New York state thoroughbred breed-  
29 ing and development fund by such franchised corporation shall be one-  
30 half of one percent of total daily on-track pari-mutuel pools resulting  
31 from regular, multiple and exotic bets and three percent of super exotic  
32 bets and for the period April first, two thousand one through December  
33 thirty-first, two thousand [~~twenty-four~~ twenty-five], such payment shall  
34 be seven-tenths of one percent of regular, multiple and exotic pools.

35 § 10. This act shall take effect immediately.

#### 36 PART Q

37 Section 1. Paragraph (x) of subdivision 1 of section 1367 of the  
38 racing, pari-mutuel wagering and breeding law, as amended by section 3  
39 of part Y of chapter 59 of the laws of 2021, is amended to read as  
40 follows:

41 (x) "Sports wagering" means wagering on sporting events or any portion  
42 thereof, or on the individual performance statistics of athletes partic-  
43 ipating in a sporting event, or combination of sporting events, by any  
44 system or method of wagering, including, but not limited to, in-person  
45 communication and electronic communication through internet websites  
46 accessed via a mobile device or computer, and mobile device applica-  
47 tions; provided however that sports wagers shall include, but are not  
48 limited to, single-game bets, teaser bets, parlays, over-under bets,  
49 money line, pools, in-game wagering, in-play bets, in-game and season-  
50 long proposition bets, and straight bets; and season award winners;  
51 provided however, that such in-game and season-long proposition bets and  
52 season award winners wagers shall be limited to those wagers that are  
53 performance-based unless such wagers were otherwise authorized by the  
54 commission as of the effective date of the chapter of the laws of two

1 thousand twenty-four that amended this paragraph; and provided further,  
2 that coin toss bets that affect the gameplay of an event shall be  
3 permitted at all sporting events unless prohibited by the commission;  
4 § 2. This act shall take effect immediately.

## PART R

6 Section 1. Subdivision 8 of section 1367 of the racing, pari-mutuel  
7 wagering and breeding law, as added by section 3 of part Y of chapter 59  
8 of the laws of 2021, is amended to read as follows:

9 8. Notwithstanding section thirteen hundred fifty-one of this article,  
10 mobile sports wagering gross gaming revenue and tax revenue shall be  
11 excluded from sports wagering gross gaming revenue and tax revenue.  
12 Mobile sports wagering tax revenue shall be separately maintained and  
13 returned to the state for deposit into the state lottery fund for educa-  
14 tion aid except as otherwise provided in this subdivision. Any interest  
15 and penalties imposed by the commission relating to those taxes, all  
16 penalties levied and collected by the commission, and the appropriate  
17 funds, cash or prizes forfeited from sports wagering shall be deposited  
18 into the state lottery fund for education. In the first fiscal year in  
19 which mobile sports wagering licensees commence operations and accept  
20 mobile sports wagers pursuant to this section, the commission shall pay  
21 into the commercial gaming fund one percent of the state tax imposed on  
22 mobile sports wagering by this section to be distributed for problem  
23 gambling education and treatment purposes pursuant to paragraph a of  
24 subdivision four of section ninety-seven-nnnn of the state finance law;  
25 provided however, that such amount shall be equal to one percent of  
26 mobile sports tax revenue and no less than six million dollars for each  
27 fiscal year thereafter. In the first fiscal year in which mobile sports  
28 wagering licensees commence operations and accept mobile sports wagers  
29 pursuant to this section, the commission shall pay one percent of the  
30 state tax imposed on mobile sports wagering by this section to the  
31 general fund, a program to be administered by the office of children and  
32 family services for a statewide youth sports activities and education  
33 grant program for the purpose of providing annual awards to sports  
34 programs for underserved youth under the age of eighteen years; provided  
35 however, that such amount shall be equal to five million dollars for  
36 each fiscal year thereafter. The commission shall require at least  
37 monthly deposits by a platform provider of any payments pursuant to  
38 subdivision seven of this section, at such times, under such conditions,  
39 and in such depositories as shall be prescribed by the state comp-  
40 troller. The deposits shall be deposited to the credit of the state  
41 commercial gaming revenue fund. The commission shall require a monthly  
42 report and reconciliation statement to be filed with it on or before the  
43 tenth day of each month, with respect to gross revenues and deposits  
44 received and made, respectively, during the preceding month.

45 § 2. This act shall take effect on the first of April next succeeding  
46 the date on which it shall have become a law.

## PART S

48 Section 1. Paragraph (b) of subdivision 9 of section 208 of the tax  
49 law is amended by adding a new subparagraph 28 to read as follows:

50 (28) the amount of gain excluded from federal gross income for the  
51 taxable year by subparagraph (c) of paragraph (1) of subsection (a) of  
52 section 1400Z-2 of the internal revenue code.

§ 2. Subdivision 9 of section 208 of the tax law is amended by adding a new paragraph (u) to read as follows:

(u) For tax years beginning on or after January first, two thousand twenty-four, upon the sale or exchange of property with respect to which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code, the basis of such property under this article shall be determined as if the taxpayer had not made such election.

§ 3. Subsection (b) of section 612 of the tax law is amended by adding a new paragraph 44 to read as follows:

(44) the amount of gain excluded from federal gross income for the taxable year by subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code.

§ 4. Section 612 of the tax law is amended by adding a new subsection (y) to read as follows:

(y) Qualified opportunity zones. For tax years beginning on or after January first, two thousand twenty-four, upon the sale or exchange of property with respect to which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code, the basis of such property under this article shall be determined as if the taxpayer had not made such election.

§ 5. Paragraph 2 of subdivision (b) of section 1503 of the tax law is amended by adding a new subparagraph (AA) to read as follows:

(AA) the amount of gain excluded from federal gross income for the taxable year by subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code.

§ 6. Section 1503 of the tax law is amended by adding a new subdivision (d) to read as follows:

(d) For tax years beginning on or after January first, two thousand twenty-four, upon the sale or exchange of property with respect to which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code, the basis of such property under this article shall be determined as if the taxpayer had not made such election.

§ 7. Paragraph (a) of subdivision 8 of section 11-602 of the administrative code of the city of New York is amended by adding a new subparagraph 18 to read as follows:

(18) the amount of gain excluded from federal gross income for the taxable year by subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code.

§ 8. Section 11-602 of the administrative code of the city of New York is amended by adding a new subdivision 11 to read as follows:

11. For tax years beginning on or after January first, two thousand twenty-four, upon the sale or exchange of property with respect to which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code, the basis of such property under this article shall be determined as if the taxpayer had not made such election.

§ 9. Paragraph (a) of subdivision 8 of section 11-652 of the administrative code of the city of New York is amended by adding a new subparagraph 19 to read as follows:

(19) the amount of gain excluded from federal gross income for the taxable year by subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code.

§ 10. Subdivision 8 of section 11-652 of the administrative code of the city of New York is amended by adding a new paragraph (u) to read as follows:

(u) For tax years beginning on or after January first, two thousand twenty-four, upon the sale or exchange of property with respect to which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code, the basis of such property under this article shall be determined as if the taxpayer had not made such election.

§ 11. Subdivision (b) of section 11-1712 of the administrative code of the city of New York is amended by adding a new paragraph 40 to read as follows:

(40) the amount of gain excluded from federal gross income for the taxable year by subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code.

§ 12. Section 11-1712 of the administrative code of the city of New York is amended by adding a new subdivision (w) to read as follows:

(w) For tax years beginning on or after January first, two thousand twenty-four, upon the sale or exchange of property with respect to which the taxpayer has made the election under subparagraph (c) of paragraph (1) of subsection (a) of section 1400Z-2 of the internal revenue code, the basis of such property under this article shall be determined as if the taxpayer had not made such election.

§ 13. This act shall take effect immediately and shall apply to taxable years beginning on or after January 1, 2024.

#### PART T

Section 1. Subdivision (jj) of section 1115 of the tax law, as added by section 1 of part SS of chapter 59 of the laws of 2015, is REPEALED.

§ 2. Subdivision 13 of section 1118 of the tax law, as added by section 2 of part SS of chapter 59 of the laws of 2015, is REPEALED.

§ 3. This act shall take effect June 1, 2024.

#### PART U

Section 1. Paragraph (A) of subdivision (i) of section 1111 of the tax law, as amended by section 1 of part TT of chapter 59 of the laws of 2015, is amended to read as follows:

(A) Notwithstanding any contrary provisions of this article or other law, with respect to any lease for a term of one year or more of (1) a motor vehicle, as defined in section one hundred twenty-five of the vehicle and traffic law, with a gross vehicle weight of ten thousand pounds or less, ~~or~~ (2) a vessel, as defined in section twenty-two hundred fifty of such law (including any inboard or outboard motor and any trailer, as defined in section one hundred fifty-six of such law, leased in conjunction with such a vessel) or (3) noncommercial aircraft having a seating capacity of less than twenty passengers and a maximum capacity of less than six thousand pounds, or an option to renew such a lease or a similar contractual provision, all receipts due or consideration given or contracted to be given for such property under and for the entire period of such lease, option to renew or similar provision, or combination of them, shall be deemed to have been paid or given and shall be subject to tax, and any such tax due shall be collected, as of the date of first payment under such lease, option to renew or similar provision, or combination of them, or as of the date of registration of



1 such property with the commissioner of motor vehicles, whichever is  
2 earlier. Notwithstanding any inconsistent provisions of subdivision (b)  
3 of this section or of section eleven hundred seventeen of this article  
4 or of other law, for purposes of such a lease, option to renew or simi-  
5 lar provision originally entered into outside this state, by a lessee  
6 (1) who was a resident of this state, and leased such property for use  
7 outside the state and who subsequently brings such property into this  
8 state for use here or (2) who was a nonresident and subsequently becomes  
9 a resident and brings the property into this state for use here, any  
10 remaining receipts due or consideration to be given after such lessee  
11 brings such property into this state shall be subject to tax as if the  
12 lessee had entered into or exercised such lease, option to renew or  
13 similar provision, or combination thereof, for the first time in this  
14 state and the relevant provisions of sections eleven hundred ten  
15 concerning imposition and computation of tax, eleven hundred eighteen  
16 concerning exemption from use tax for tax paid to another jurisdiction,  
17 eleven hundred thirty-two concerning presumption of taxability and  
18 conditions for registration and eleven hundred thirty-nine concerning  
19 refunds, of this article, shall be applicable to any sales or compensat-  
20 ing use tax paid by the lessee before the lessee brought the property  
21 into this state, except to the extent that any such provision is incon-  
22 sistent with a provision of this subdivision. For purposes of this  
23 subdivision, (1) a lease for a term of one year or more shall include  
24 any lease for a shorter term which includes an option to renew or other  
25 like provision (or more than one of such option or other provision)  
26 where the cumulative period that the lease, with or without such option  
27 or provision, may be in effect upon exercise of such option or provision  
28 is one year or more and (2) receipts due and consideration given or  
29 contracted to be given under any such lease or other provision for  
30 excess mileage charges shall be subject to tax as and when paid or due.

31 § 2. Subdivision (q) of section 1111 of the tax law, as amended by  
32 section 2 of part TT of chapter 59 of the laws of 2015, is amended to  
33 read as follows:

34 (q) (1) The exclusions from the definition of retail sale in subpara-  
35 graph (iv) of paragraph four of subdivision (b) of section eleven  
36 hundred one of this article shall not apply to transfers, distributions,  
37 or contributions of an aircraft or a vessel, except where, in the case  
38 of the exclusion in subclause (I) of clause (A) of such subparagraph  
39 (iv), the two corporations to be merged or consolidated are not affil-  
40 iated persons with respect to each other. For purposes of this subdivi-  
41 sion, corporations are affiliated persons with respect to each other  
42 where (i) more than five percent of their combined shares are owned by  
43 members of the same family, as defined by paragraph four of subsection  
44 (c) of section two hundred sixty-seven of the internal revenue code of  
45 nineteen hundred eighty-six; (ii) one of the corporations has an owner-  
46 ship interest of more than five percent, whether direct or indirect, in  
47 the other; or (iii) another person or a group of other persons that are  
48 affiliated persons with respect to each other hold an ownership interest  
49 of more than five percent, whether direct or indirect, in each of the  
50 corporations.

51 (2) Notwithstanding any contrary provision of law, in relation to any  
52 transfer, distribution, or contribution of an aircraft or a vessel that  
53 qualifies as a retail sale as a result of paragraph one of this subdivi-  
54 sion, the sales tax imposed by subdivision (a) of section eleven hundred  
55 five of this part shall be computed based on the price at which the  
56 seller purchased the tangible personal property, provided that where the

1 seller or purchaser affirmatively shows that the seller owned the prop-  
2 erty for six months prior to making the transfer, distribution or  
3 contribution covered by paragraph one of this subdivision, such aircraft  
4 or vessel shall be taxed on the basis of the current market value of the  
5 aircraft or vessel at the time of that transfer, distribution, or  
6 contribution. For the purposes of the prior sentence, "current market  
7 value" shall not exceed the cost of the aircraft or vessel. See subdivi-  
8 sion (b) of this section for a similar rule on the computation of any  
9 compensating use tax due under section eleven hundred ten of this part  
10 on such transfers, distributions, or contributions.

11 (3) A purchaser of an aircraft or a vessel covered by paragraph one of  
12 this subdivision will be entitled to a refund or credit against the  
13 sales or compensating use tax due as a result of a transfer, distrib-  
14 ution, or contribution of such aircraft or vessel in the amount of any  
15 sales or use tax paid to this state or any other state on the seller's  
16 purchase or use of the aircraft or vessel so transferred, distributed or  
17 contributed, but not to exceed the tax due on the transfer, distrib-  
18 ution, or contribution of the aircraft or vessel or on the purchaser's  
19 use in the state of the aircraft or vessel so transferred, distributed  
20 or contributed. An application for a refund or credit under this subdivi-  
21 sion must be filed and shall be in such form as the commissioner may  
22 prescribe. Where an application for credit has been filed, the applicant  
23 may immediately take such credit on the return which is due coincident  
24 with or immediately subsequent to the time the application for credit is  
25 filed. However, the taking of the credit on the return shall be deemed  
26 to be part of the application for credit. Provided that the commissioner  
27 may, in his or her discretion and notwithstanding any other law, waive  
28 the application requirement for any or all classes of persons where the  
29 amount of the credit or refund is equal to the amount of the tax due  
30 from the purchaser. The provisions of subdivisions (a), (b), and (c) of  
31 section eleven hundred thirty-nine of this article shall apply to appli-  
32 cations for refund or credit under this subdivision. No interest shall  
33 be allowed or paid on any refund made or credit allowed under this  
34 subdivision. If a refund is granted or a credit allowed under this para-  
35 graph, the seller or purchaser shall not be eligible for a refund or  
36 credit pursuant to subdivision seven of section eleven hundred eighteen  
37 of this article with regard to the same purchase or use.

38 § 3. Paragraph 21-a of subdivision (a) of section 1115 of the tax law  
39 is REPEALED.

40 § 4. This act shall take effect June 1, 2024.

#### 41 PART V

42 Section 1. Section 1180 of the tax law is amended by adding a new  
43 subdivision (c) to read as follows:

44 (c) "Vapor products distributor" means any person who imports or caus-  
45 es to be imported into this state any vapor products for sale, or who  
46 manufactures any vapor product in this state, and any person within or  
47 without the state who is authorized by the commissioner of taxation and  
48 finance to make returns and pay the tax on vapor products sold, shipped,  
49 or delivered by such person to any person in the state.

50 § 2. Section 1181 of the tax law, as amended by chapter 92 of the laws  
51 of 2021, is amended to read as follows:

52 § 1181. Imposition of tax. (a) In addition to any other tax imposed  
53 by this chapter or other law, there is hereby imposed a tax of twenty  
54 percent on ~~[receipts from the retail sale of vapor products sold]~~ vapor

1 products sold by a vapor products distributor to a vapor products dealer  
2 in this state. The tax is imposed on the purchaser and collected by the  
3 vapor products dealer as defined in subdivision (b) of section eleven  
4 hundred eighty of this article, in trust for and on account of the  
5 state. The taxes imposed under this section shall not apply to adult-use  
6 cannabis products subject to tax under article twenty-C of this chapter.

7 (b) The vapor products distributor shall be liable for the payment of  
8 the tax on vapor products which such distributor imports or causes to be  
9 imported into the state, or which such distributor manufactures in the  
10 state, and every vapor products distributor authorized by the commis-  
11 sioner of taxation and finance to make returns and pay the tax on tobac-  
12 co products sold, shipped or delivered by such distributor to any person  
13 in the state shall be liable for the payment of the tax on all vapor  
14 products so sold, shipped or delivered.

15 (c) Every vapor products dealer shall be liable for the tax on all  
16 vapor products in such dealer's possession at any time, upon which tax  
17 has not been paid or assumed by a vapor products distributor appointed  
18 by the commissioner of taxation and finance, and the failure of any  
19 vapor products dealer to produce and exhibit to the commissioner of  
20 taxation and finance or the commissioner's authorized representative  
21 upon demand, an invoice by a vapor products distributor for any vapor  
22 products in such distributor's possession shall be presumptive evidence  
23 that the tax thereon has not been paid, and that such dealer is liable  
24 for the tax thereon unless evidence of such invoice, payment or assump-  
25 tion shall later be produced.

26 § 3. The tax law is amended by adding a new section 1183-a to read as  
27 follows:

28 § 1183-a. Vapor products distributor license and renewal. (a) Every  
29 person who intends to be a vapor products distributor in this state must  
30 receive from the commissioner a license prior to engaging in business.  
31 In addition to the requirements of section eleven hundred eighty-three  
32 of this article, a vapor products dealer who purchases or receives vapor  
33 products from a manufacturer or out-of-state distributor shall be  
34 required to obtain a vapor products distributor license. The applicant  
35 for a vapor products distributor license must electronically submit a  
36 properly completed application for a license for each location at which  
37 the business shall be conducted in this state, on a form prescribed by  
38 the commissioner, and shall be accompanied by a non-refundable applica-  
39 tion fee of three hundred dollars.

40 (b) A vapor products distributor license shall be valid for the calen-  
41 dar year for which it is issued unless earlier suspended or revoked.  
42 Upon the expiration of the term stated on the license, such license  
43 shall be null and void. A license shall not be assignable or transfera-  
44 ble and shall be destroyed immediately upon the vapor products distribu-  
45 tor ceasing to do business as specified in such license or in the event  
46 that such business never commenced.

47 (c) Every vapor products distributor shall publicly display in such  
48 distributor's place of business a license from the department.

49 (d)(1) The commissioner shall refuse to issue a license to any appli-  
50 cant who does not possess a valid certificate of authority under section  
51 eleven hundred thirty-four of this chapter. In addition, the commission-  
52 er may refuse to issue a license, or suspend, cancel or revoke a license  
53 issued to any person who:

54 (A) has a past-due liability as that term is defined in section one  
55 hundred seventy-one-v of this chapter;

1 (B) has had a license under this article or any license or registra-  
2 tion provided for in this chapter revoked within one year from the date  
3 on which such application was filed;

4 (C) has been convicted of a crime provided for in this chapter within  
5 one year from the date on which such application was filed;

6 (D) willfully fails to file a report or return required by this arti-  
7 cle;

8 (E) willfully files, causes to be filed, gives or causes to be given a  
9 report, return, certificate or affidavit required by this article which  
10 is false;

11 (F) willfully fails to collect or truthfully account for or pay over  
12 any tax imposed by this article; or

13 (G) whose place of business is at the same premises as that of a  
14 person whose vapor products distributor license has been revoked and  
15 where such revocation is still in effect, unless the applicant or vapor  
16 products distributor provides the commissioner with adequate documenta-  
17 tion demonstrating that such applicant or vapor products distributor  
18 acquired the premises or business through an arm's length transaction as  
19 defined in paragraph (e) of subdivision one of section four hundred  
20 eighty-a of this chapter.

21 (2) In addition to the grounds provided in paragraph one of this  
22 subdivision, the commissioner shall refuse to issue a license and shall  
23 cancel or suspend a license as directed by an enforcement officer pursu-  
24 ant to article thirteen-F of the public health law. Notwithstanding any  
25 provision of law to the contrary, an applicant whose application for a  
26 license is refused or a vapor products distributor whose license is  
27 cancelled or suspended under this paragraph shall have no right to a  
28 hearing under this chapter and shall have no right to commence a court  
29 action or proceeding or to any other legal recourse against the commis-  
30 sioner with respect to such refusal, suspension or cancellation;  
31 provided, however, that nothing herein shall be construed to deny a  
32 vapor products distributor a hearing under article thirteen-F of the  
33 public health law or to prohibit vapor products distributors from  
34 commencing a court action or proceeding against an enforcement officer  
35 as defined in section thirteen hundred ninety-nine-aa of the public  
36 health law.

37 (e) If a vapor products distributor license is suspended, cancelled or  
38 revoked and such vapor products distributor distributes or sells vapor  
39 products through more than one place of business in this state, the  
40 vapor products distributor's license issued to that place of business  
41 where such violation occurred shall be suspended, revoked, or cancelled.  
42 Provided, however, upon a vapor products distributor's third suspension,  
43 cancellation, or revocation within a five-year period for any one or  
44 more businesses owned or operated by the vapor products distributor,  
45 such suspension, cancellation, or revocation of the vapor products  
46 distributor's license shall apply to all places of business where such  
47 distributor distributes or sells vapor products in this state.

48 (f) Every holder of a license must notify the commissioner of changes  
49 to any of the information stated on the license or changes to any infor-  
50 mation contained in the application for the license. Such notification  
51 must be made on or before the last day of the month in which a change  
52 occurs and must be made electronically on a form prescribed by the  
53 commissioner.

54 (g) Every vapor products distributor who holds a license under this  
55 article shall be required to reapply for a license for the following  
56 calendar year on or before the twentieth day of September and such reap-

1 plication shall be subject to the same requirements and conditions,  
2 including grounds for refusal, as an initial license under this article,  
3 including but not limited to the payment of the three hundred dollar  
4 application fee for each business location.

5 (h) In addition to any other penalty imposed by this chapter, any  
6 vapor products distributor who violates the provisions of this section,  
7 (1) for a first violation is liable for a civil fine not less than five  
8 thousand dollars but not to exceed twenty-five thousand dollars and such  
9 license may be suspended for a period of not more than six months; and  
10 (2) for a second or subsequent violation within three years following a  
11 prior violation of this section, is liable for a civil fine not less  
12 than ten thousand dollars but not to exceed thirty-five thousand dollars  
13 and such license may be suspended for a period of up to thirty-six  
14 months; or (3) for a third violation within a period of five years, the  
15 license issued to each place of business owned or operated by the vapor  
16 products distributor in this state shall be revoked for a period of up  
17 to five years.

18 § 4. Section 1184 of the tax law, as added by section 1 of part UU of  
19 chapter 59 of the laws of 2019, is amended to read as follows:

20 § 1184. Administrative provisions. (a) [~~Except as otherwise provided~~  
21 ~~for in this article, the taxes imposed by this article shall be adminis-~~  
22 ~~tered and collected in a like manner as and jointly with the taxes~~  
23 ~~imposed by sections eleven hundred five and eleven hundred ten of this~~  
24 ~~chapter. In addition, except as otherwise provided in this article, all~~  
25 ~~of the provisions of article twenty-eight of this chapter (except~~  
26 ~~sections eleven hundred seven, eleven hundred eight, eleven hundred~~  
27 ~~nine, and eleven hundred forty eight) relating to or applicable to the~~  
28 ~~administration, collection and review of the taxes imposed by such~~  
29 ~~sections eleven hundred five and eleven hundred ten, including, but not~~  
30 ~~limited to, the provisions relating to definitions, returns, exemptions,~~  
31 ~~penalties, tax secrecy, personal liability for the tax, and collection~~  
32 ~~of tax from the customer, shall apply to the taxes imposed by this arti-~~  
33 ~~cle so far as such provisions can be made applicable to the taxes~~  
34 ~~imposed by this article with such limitations as set forth in this arti-~~  
35 ~~cle and such modifications as may be necessary in order to adapt such~~  
36 ~~language to the taxes so imposed. Such provisions shall apply with the~~  
37 ~~same force and effect as if the language of those provisions had been~~  
38 ~~set forth in full in this article except to the extent that any~~  
39 ~~provision is either inconsistent with a provision of this article or is~~  
40 ~~not relevant to the taxes imposed by this article.~~

41 (b) Notwithstanding the provisions of subdivision (a) of this section,  
42 the exemptions provided in paragraph ten of subdivision (a) of section  
43 eleven hundred fifteen of this chapter, and the provisions of section  
44 eleven hundred sixteen, except those provided in paragraphs one, two,  
45 three and six of subdivision (a) of such section, shall not apply to the  
46 taxes imposed by this article.] Every vapor products distributor shall,  
47 on or before the twentieth day of each month, file with the commissioner  
48 of taxation and finance a return on forms to be prescribed and furnished  
49 by the commissioner, showing the quantity and wholesale price of all  
50 vapor products imported or caused to be imported into the state by such  
51 distributor or manufactured in the state by such distributor, during the  
52 preceding calendar month. Every vapor products distributor authorized by  
53 the commissioner to make returns and pay the tax on vapor products sold,  
54 shipped, or delivered by such distributor to any person in the state  
55 shall file a return showing the quantity and wholesale price of all  
56 vapor products so sold, shipped, or delivered during the preceding



1 calendar month. Provided, however, the commissioner may, if the commis-  
2 sioner deems it necessary in order to ensure the payment of the taxes  
3 imposed by this article, require returns to be made at such times and  
4 covering such periods as the commissioner may deem necessary, and, by  
5 regulation, may permit the filing of returns on a quarterly, semi-annual  
6 or annual basis, or may waive the filing of returns by a vapor products  
7 distributor for such time and upon such terms as the commissioner may  
8 deem proper if satisfied that no tax imposed by this article is or will  
9 be payable by such distributor during the time for which returns are  
10 waived. Such returns shall contain such further information as the  
11 commissioner may require.

12 (b) Every vapor product distributor shall pay to the commissioner with  
13 the filing of such return the tax on vapor products for such month  
14 imposed under this article.

15 (c) Notwithstanding the provisions of this section or section eleven  
16 hundred forty-six of this chapter, the commissioner may, in [~~his or her~~]  
17 the commissioner's discretion, permit the commissioner of health or [~~his~~  
18 ~~or her~~] such commissioner's authorized representative to inspect any  
19 return related to the tax imposed by this article and may furnish to the  
20 commissioner of health any such return or supply [~~him or her~~] such  
21 commissioner with information concerning an item contained in any such  
22 return, or disclosed by any investigation of a liability under this  
23 article.

24 § 5. The tax law is amended by adding two new sections 1184-a and  
25 1184-b to read as follows:

26 § 1184-a. Enforcement. The commissioner or the commissioner's duly  
27 authorized representatives are hereby authorized:

28 (a) To conduct regulatory inspections during normal business hours of  
29 any place of business, including a vehicle used for such business, where  
30 vapor products are distributed, placed, stored, sold, or offered for  
31 sale. For the purposes of this section, "place of business" shall not  
32 include a residence or other real property, or any personal vehicle on  
33 or about such property, not held out as open to the public or otherwise  
34 being utilized in a business or commercial manner, unless probable cause  
35 exists to believe that such residence, real property or vehicle is being  
36 used in such a business or commercial manner for the buying or selling  
37 of vapor products.

38 (b) To examine any vapor products and the books, papers, invoices, and  
39 other records of any place of business or vehicle where vapor products  
40 are distributed, placed, stored, sold or offered for sale. Any person in  
41 possession, control or occupancy of any such business is required to  
42 give to the commissioner or the commissioner's duly authorized represen-  
43 tatives, the means, facilities, and opportunity for such examinations.  
44 For the purposes of this section, "place of business" shall not include  
45 a residence or other real property, or any personal vehicle on or about  
46 such property, not held out as open to the public or otherwise being  
47 utilized in a business or commercial manner, unless probable cause  
48 exists to believe that such residence, real property or vehicle is being  
49 used in such a business or commercial manner for the buying or selling  
50 of vapor products.

51 (c) If any person registered or who has obtained a license under this  
52 article, or their agents, refuses to give the commissioner, or the  
53 commissioner's duly authorized representatives, the means, facilities  
54 and opportunity for the inspections and examinations required by this  
55 section, the commissioner, after notice and an opportunity for a hear-

ing, may revoke their license to distribute vapor products or to sell vapor products at retail:

(1) for a period of one year for the first such failure;

(2) for a period of up to three years for a second such failure within a period of three years; and

(3) for a period of up to seven years for a third such failure within five years.

(d) The commissioner or the commissioner's duly authorized representatives shall seize any non-tax-paid vapor products found in any place of business or vehicle where vapor products are distributed, placed, stored, sold or offered for sale by any person who does not possess a license as described in section eleven hundred eighty-three-a of this article.

(e) All non-tax-paid vapor products seized pursuant to the authority of this chapter or any other law of this state shall be turned over to the department or its authorized representative. Such seized non-tax-paid vapor products shall, after notice and an opportunity for a hearing, be forfeited to the state. If the department determines the non-tax-paid vapor products cannot be used for law enforcement purposes, it may, within a reasonable time after the forfeiture of such non-tax-paid vapor products, upon publication in the state registry, destroy such forfeited non-tax-paid vapor products.

§ 1184-b. General powers of the tax commission. The powers conferred upon the tax commission by sections one hundred seventy-one and one hundred seventy-one-b of this chapter shall, so far as applicable, be exercisable with respect to the provisions of this article. Such commission may require returns to be filed with it at such times and containing such information as it may prescribe and in such event the fact that a person's name is signed to the return shall be prima facie evidence for all purposes that the return was actually signed by such person. Notwithstanding any other provision of this article, the tax commission may enter into an agreement with any city of this state which is authorized to impose a tax similar to that imposed by this article to provide for the joint administration, in whole or in part, of such taxes.

§ 6. This act shall take effect immediately.

#### PART W

Section 1. Section 490 of the tax law is REPEALED.

§ 2. Section 89-h of the state finance law is REPEALED.

§ 3. This act shall take effect May 1, 2024.

#### PART X

Section 1. Subsection (g-1) of section 606 of the tax law, as amended by chapter 378 of the laws of 2005, paragraphs 1 and 2 as amended by chapter 375 of the laws of 2012, paragraph 3 as amended, paragraph 5 as added, and paragraphs 6, 7 and 8 as renumbered by chapter 128 of the laws of 2007, is amended to read as follows:

(g-1) Solar energy system equipment credit. (1) General. An individual taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty-five percent of qualified solar energy system equipment expenditures, except as provided in subparagraph (D) of paragraph two of this subsection. This credit shall not exceed three thousand seven hundred fifty dollars for qualified solar energy equipment placed in service before September first, two thousand six, [and] five thousand

1 dollars for qualified solar energy equipment placed in service on or  
2 after September first, two thousand six and before January first, two  
3 thousand twenty-five, and ten thousand dollars for qualified solar ener-  
4 gy equipment placed in service on or after January first, two thousand  
5 twenty-five.

6 (2) Qualified solar energy system equipment expenditures. (A) The term  
7 "qualified solar energy system equipment expenditures" means expendi-  
8 tures for:

9 (i) the purchase of solar energy system equipment which is installed  
10 in connection with residential property which is (I) located in this  
11 state and (II) which is used by the taxpayer as [~~his or her~~] their prin-  
12 cipal residence at the time the solar energy system equipment is placed  
13 in service;

14 (ii) the lease of solar energy system equipment under a written agree-  
15 ment that spans at least ten years where such equipment owned by a  
16 person other than the taxpayer is installed in connection with residen-  
17 tial property which is (I) located in this state and (II) which is used  
18 by the taxpayer as [~~his or her~~] their principal residence at the time  
19 the solar energy system equipment is placed in service; or

20 (iii) the purchase of power under a written agreement that spans at  
21 least ten years whereunder the power purchased is generated by solar  
22 energy system equipment owned by a person other than the taxpayer which  
23 is installed in connection with residential property which is (I)  
24 located in this state and (II) which is used by the taxpayer as [~~his or~~  
25 ~~her~~] their principal residence at the time the solar energy system  
26 equipment is placed in service.

27 (B) Such qualified expenditures shall include expenditures for materi-  
28 als, labor costs properly allocable to on-site preparation, assembly and  
29 original installation, architectural and engineering services, and  
30 designs and plans directly related to the construction or installation  
31 of the solar energy system equipment.

32 (C) Such qualified expenditures for the purchase of solar energy  
33 system equipment shall not include interest or other finance charges.

34 (D) Such qualified expenditures for the lease of solar energy system  
35 equipment or the purchase of power under an agreement described in  
36 clauses (ii) or (iii) of subparagraph (A) of this paragraph shall  
37 include an amount equal to all payments made during the taxable year  
38 under such agreement. Provided, however, such credits shall only be  
39 allowed for fourteen years after the first taxable year in which such  
40 credit is allowed. Provided further, however, the twenty-five percent  
41 limitation in paragraph one of this subsection shall only apply to the  
42 total aggregate amount of all payments to be made pursuant to an agree-  
43 ment referenced in clauses (ii) or (iii) of subparagraph (A) of this  
44 paragraph, and shall not apply to individual payments made during a  
45 taxable year under such agreement except to the extent such limitation  
46 on an aggregate basis has been reached.

47 (3) Solar energy system equipment. The term "solar energy system  
48 equipment" shall mean an arrangement or combination of components  
49 utilizing solar radiation, which, when installed in a residence, produc-  
50 es and may store energy designed to provide heating, cooling, hot water  
51 or electricity for use in such residence. Such arrangement or components  
52 may include electric energy storage equipment but shall not include any  
53 other equipment connected to solar energy system equipment that is a  
54 component of part or parts of a non-solar energy system or which uses  
55 any sort of recreational facility or equipment as a storage medium.  
56 Solar energy system equipment that generates and stores electricity for

1 use in a residence must conform to applicable requirements set forth in  
2 section sixty-six-j of the public service law. Provided, however, where  
3 solar energy system equipment is purchased and installed by a condomin-  
4 ium management association or a cooperative housing corporation, for  
5 purposes of this subsection only, the term "ten kilowatts" in such  
6 section sixty-six-j shall be read as [~~"fifty"~~] "ten kilowatts multiplied  
7 by the number of owner-occupied units in the cooperative or condominium  
8 management association."

9 (4) Multiple taxpayers. Where solar energy system equipment is  
10 purchased and installed in a principal residence shared by two or more  
11 taxpayers, the amount of the credit allowable under this subsection for  
12 each such taxpayer shall be prorated according to the percentage of the  
13 total expenditure for such solar energy system equipment contributed by  
14 each taxpayer.

15 (5) Proportionate share. Where solar energy system equipment is  
16 purchased and installed by a condominium management association or a  
17 cooperative housing corporation, a taxpayer who is a member of the  
18 condominium management association or who is a tenant-stockholder in the  
19 cooperative housing corporation may for the purpose of this subsection  
20 claim a proportionate share of the total expense as the expenditure for  
21 the purposes of the credit attributable to [~~his~~] their principal resi-  
22 dence.

23 (6) Grants. For purposes of determining the amount of the expenditure  
24 incurred in purchasing and installing solar energy system equipment, the  
25 amount of any federal, state or local grant received by the taxpayer,  
26 which was used for the purchase and/or installation of such equipment  
27 and which was not included in the federal gross income of the taxpayer,  
28 shall not be included in the amount of such expenditures.

29 (7) When credit allowed. The credit provided for herein shall be  
30 allowed with respect to the taxable year, commencing after nineteen  
31 hundred ninety-seven, in which the solar energy system equipment is  
32 placed in service.

33 (8) Carryover of credit and refundability. If the amount of the cred-  
34 it, and carryovers of such credit, allowable under this subsection for  
35 any taxable year shall exceed the taxpayer's tax for such year, such  
36 excess amount may be carried over to the five taxable years next follow-  
37 ing the taxable year with respect to which the credit is allowed and may  
38 be deducted from the taxpayer's tax for such year or years. For taxable  
39 years beginning on or after January first, two thousand twenty-five, if  
40 the amount of the credit allowable under this subsection shall exceed  
41 the taxpayer's tax liability for such year, and the taxpayer meets the  
42 definition of low to moderate income, as defined in subdivision (c) of  
43 section nine hundred seventy-c of the general municipal law, or resides  
44 in a disadvantaged community, as defined in subdivision five of section  
45 75-0101 of the environmental conservation law, the excess shall be  
46 treated as an overpayment of tax to be credited or refunded in accord-  
47 ance with the provisions of section six hundred eighty-six of this arti-  
48 cle, provided, however, that no interest shall be paid thereon.

49 § 2. This act shall take effect immediately.

## 50 PART Y

51 Section 1. Paragraphs 1 and 9 of subsection (g-4) of section 606 of  
52 the tax law, as added by section 1 of part FF of chapter 59 of the laws  
53 of 2022, are amended to read as follows:

(1) General. An individual taxpayer shall be allowed a credit against the tax imposed by this article equal to twenty-five percent of qualified geothermal energy system expenditures, except as provided in subparagraph (D) of paragraph two of this subsection, not to exceed five thousand dollars for qualified geothermal energy systems placed in service before June thirtieth, two thousand twenty-four, and ten thousand dollars for qualified geothermal energy equipment placed in service on or after July first, two thousand twenty-four.

(9) Carryover of credit and refundability. If the amount of the credit, and carryovers of such credit, allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years. For taxable years beginning on or after January first, two thousand twenty-five, if the amount of the credit allowable under this subsection shall exceed the taxpayer's tax liability for such year, and the taxpayer meets the definition of low-to-moderate income as defined in subdivision (c) of section nine hundred seventy-c of the general municipal law, or resides in a disadvantaged community, as defined in subdivision five of section 75-0101 of the environmental conservation law, the excess shall be treated as an overpayment of tax to be credited or refunded. Any refund paid pursuant to this paragraph shall be deemed to be a refund of an overpayment of tax as provided in section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 2. This act shall take effect immediately.

## PART Z

Section 1. Section 1115 of the tax law is amended by adding a new subdivision (11) to read as follows:

(11) The following shall be exempt from tax under this article: (1) Receipts from the retail sale of, and consideration given or contracted to be given for, or for the use of, residential energy storage systems equipment and the service of installing such systems. For the purposes of this subdivision, "residential energy storage systems equipment" shall mean an arrangement or combination of components installed in a residence that stores electricity for use at a later time to provide heating, cooling, hot water and/or electricity.

(2) Receipts from the sale of electricity by a person primarily engaged in the sale of energy storage system equipment and/or electricity generated by such equipment pursuant to a written agreement under which such electricity is generated by residential energy system storage equipment that is: (A) owned by a person other than the purchaser of such electricity; (B) installed on residential property of the purchaser of such electricity; and (C) used to provide heating, cooling, hot water or electricity.

§ 2. Paragraph 1 of subdivision (a) of section 1210 of the tax law, as amended by section 5 of part J of chapter 59 of the laws of 2021, is amended to read as follows:

(1) Either, all of the taxes described in article twenty-eight of this chapter, at the same uniform rate, as to which taxes all provisions of the local laws, ordinances or resolutions imposing such taxes shall be identical, except as to rate and except as otherwise provided, with the corresponding provisions in such article twenty-eight, including the definition and exemption provisions of such article, so far as the



1 provisions of such article twenty-eight can be made applicable to the  
2 taxes imposed by such city or county and with such limitations and  
3 special provisions as are set forth in this article. The taxes author-  
4 ized under this subdivision may not be imposed by a city or county  
5 unless the local law, ordinance or resolution imposes such taxes so as  
6 to include all portions and all types of receipts, charges or rents,  
7 subject to state tax under sections eleven hundred five and eleven  
8 hundred ten of this chapter, except as otherwise provided. Notwith-  
9 standing the foregoing, a tax imposed by a city or county authorized  
10 under this subdivision shall not include the tax imposed on charges for  
11 admission to race tracks and simulcast facilities under subdivision (f)  
12 of section eleven hundred five of this chapter. (i) Any local law, ordi-  
13 nance or resolution enacted by any city of less than one million or by  
14 any county or school district, imposing the taxes authorized by this  
15 subdivision, shall, notwithstanding any provision of law to the contra-  
16 ry, exclude from the operation of such local taxes all sales of tangible  
17 personal property for use or consumption directly and predominantly in  
18 the production of tangible personal property, gas, electricity, refrig-  
19 eration or steam, for sale, by manufacturing, processing, generating,  
20 assembly, refining, mining or extracting; and all sales of tangible  
21 personal property for use or consumption predominantly either in the  
22 production of tangible personal property, for sale, by farming or in a  
23 commercial horse boarding operation, or in both; and all sales of fuel  
24 sold for use in commercial aircraft and general aviation aircraft; and,  
25 unless such city, county or school district elects otherwise, shall omit  
26 the provision for credit or refund contained in clause six of subdivi-  
27 sion (a) or subdivision (d) of section eleven hundred nineteen of this  
28 chapter. (ii) Any local law, ordinance or resolution enacted by any  
29 city, county or school district, imposing the taxes authorized by this  
30 subdivision, shall omit the residential solar energy systems equipment  
31 and electricity exemption provided for in subdivision (ee), the commer-  
32 cial solar energy systems equipment and electricity exemption provided  
33 for in subdivision (ii), the commercial fuel cell electricity generating  
34 systems equipment and electricity generated by such equipment exemption  
35 provided for in subdivision (kk), the residential energy storage systems  
36 equipment and electricity exemption provided for in subdivision (ll),  
37 and the clothing and footwear exemption provided for in paragraph thirty  
38 of subdivision (a) of section eleven hundred fifteen of this chapter,  
39 unless such city, county or school district elects otherwise as to such  
40 residential solar energy systems equipment and electricity exemption,  
41 such commercial solar energy systems equipment and electricity  
42 exemption, commercial fuel cell electricity generating systems equipment  
43 and electricity generated by such equipment exemption or such clothing  
44 and footwear exemption.

45 § 3. Subdivision (d) of section 1210 of the tax law, as amended by  
46 section 4 of part WW of chapter 60 of the laws of 2016, is amended to  
47 read as follows:

48 (d) A local law, ordinance or resolution imposing any tax pursuant to  
49 this section, increasing or decreasing the rate of such tax, repealing  
50 or suspending such tax, exempting from such tax the energy sources and  
51 services described in paragraph three of subdivision (a) or of subdivi-  
52 sion (b) of this section or changing the rate of tax imposed on such  
53 energy sources and services or providing for the credit or refund  
54 described in clause six of subdivision (a) of section eleven hundred  
55 nineteen of this chapter, or electing or repealing the exemption for  
56 residential solar equipment and electricity in subdivision (ee) of

1 section eleven hundred fifteen of this article, or the exemption for  
2 commercial solar equipment and electricity in subdivision (ii) of  
3 section eleven hundred fifteen of this article, or electing or repealing  
4 the exemption for commercial fuel cell electricity generating systems  
5 equipment and electricity generated by such equipment in subdivision  
6 (kk) of section eleven hundred fifteen of this article, or the exemption  
7 for residential energy storage equipment or electricity in subdivision  
8 (ll) of section eleven hundred fifteen of this article, must go into  
9 effect only on one of the following dates: March first, June first,  
10 September first or December first; provided, that a local law, ordinance  
11 or resolution providing for the exemption described in paragraph thirty  
12 of subdivision (a) of section eleven hundred fifteen of this chapter or  
13 repealing any such exemption or a local law, ordinance or resolution  
14 providing for a refund or credit described in subdivision (d) of section  
15 eleven hundred nineteen of this chapter or repealing such provision so  
16 provided must go into effect only on March first. No such local law,  
17 ordinance or resolution shall be effective unless a certified copy of  
18 such law, ordinance or resolution is mailed by registered or certified  
19 mail to the commissioner at the commissioner's office in Albany at least  
20 ninety days prior to the date it is to become effective. However, the  
21 commissioner may waive and reduce such ninety-day minimum notice  
22 requirement to a mailing of such certified copy by registered or certi-  
23 fied mail within a period of not less than thirty days prior to such  
24 effective date if the commissioner deems such action to be consistent  
25 with the commissioner's duties under section twelve hundred fifty of  
26 this article and the commissioner acts by resolution. Where the  
27 restriction provided for in section twelve hundred twenty-three of this  
28 article as to the effective date of a tax and the notice requirement  
29 provided for therein are applicable and have not been waived, the  
30 restriction and notice requirement in section twelve hundred twenty-  
31 three of this article shall also apply.

32 § 4. This act shall take effect on the first day of a sales tax quar-  
33 terly period, as described in subdivision (b) of section 1136 of the tax  
34 law, beginning at least 90 days after the date this act shall have  
35 become a law and shall apply to sales made on or after such date.

## PART AA

37 Section 1. Subdivisions (b) and (c) of section 45 of the tax law, as  
38 added by section 1 of part 00 of chapter 59 of the laws of 2022, are  
39 amended to read as follows:

40 (b) Allocation of credit. The aggregate amount of tax credits allowed  
41 under this section, subdivision fifty-five of section two hundred ten-B  
42 and subsection (nnn) of section six hundred six of this chapter in any  
43 taxable year shall be five million dollars. Such credit shall be allo-  
44 cated by the department of economic development in order of priority  
45 based upon the date of filing an application for allocation of digital  
46 gaming media production credit with such office. An applicant shall  
47 submit an annual application which shall include all qualified digital  
48 gaming media productions for the taxable year along with an estimate of  
49 the digital gaming media production costs. The application can be  
50 submitted no earlier than ninety days prior to the first day of the  
51 applicable taxable year. If the total amount of allocated credits  
52 applied for in any particular year exceeds the aggregate amount of tax  
53 credits allowed for such year under this section, such excess shall be

1 treated as having been applied for on the first day of the subsequent  
2 taxable year.

3 (c) Definitions. As used in this section:

4 (1) "Qualified digital gaming media production" means: (i) a website,  
5 the digital media production costs of which are paid or incurred predo-  
6 minately in connection with (A) video simulation, animation, text,  
7 audio, graphics or similar gaming related property embodied in digital  
8 format, and (B) interactive features of digital gaming (e.g., links,  
9 message boards, communities or content manipulation); (ii) video or  
10 interactive games produced primarily for distribution over the internet,  
11 wireless network or successors thereto; and (iii) animation, simulation  
12 or embedded graphics digital gaming related software intended for  
13 commercial distribution regardless of medium; provided, however, that  
14 the qualified digital game development media productions described in  
15 subparagraphs (i) through (iii) of this paragraph must have digital  
16 media production costs equal to or in excess of ~~[one hundred]~~ fifty  
17 thousand dollars per production. A qualified digital gaming media  
18 production does not include a website, video, interactive game or soft-  
19 ware that is used predominately for: electronic commerce (retail or  
20 wholesale purposes other than the sale of video interactive games),  
21 gambling (including activities regulated by a New York gaming agency),  
22 or political advocacy purposes.

23 (2) "Digital gaming media production costs" means any costs for wages  
24 ~~[or salaries]~~ paid to individuals, ~~[other than actors or writers,~~  
25 directly employed for services performed by those individuals directly  
26 ~~[and predominantly]~~ in the creation of a digital gaming media production  
27 or productions. ~~[Up to one hundred thousand dollars in wages and sala-~~  
28 ~~ries paid to such employees, other than actors and writers, directly~~  
29 ~~employed shall be used in the calculation of this credit.]~~ Digital  
30 gaming media production costs include but shall not be limited to  
31 payments for services performed directly ~~[and predominantly]~~ in the  
32 development (including concept creation), ~~[design,~~ production (includ-  
33 ing concept creation), design, production (including testing), editing  
34 (including encoding) and compositing (including the integration of  
35 digital files for interaction by end users) of digital gaming media.  
36 Digital gaming media production costs shall not include expenses  
37 incurred for the distribution, marketing, promotion, or advertising  
38 content generated by end users, other costs not directly ~~[and predomi-~~  
39 ~~nantly]~~ related to the creation, production or modification of digital  
40 gaming media or costs used by the taxpayer as a basis of the calculation  
41 of any other tax credit allowed under this chapter. In addition, ~~[sala-~~  
42 ~~ries or other income distribution]~~ wages related to the creation of  
43 digital gaming media for any person who predominately serves in a corpo-  
44 rate capacity in the role of chief executive officer, chief financial  
45 officer, president, treasurer or similar corporate position and who is  
46 not directly engaged in services related to the creation of a digital  
47 gaming media production or productions shall not be included as digital  
48 gaming media production costs if the digital gaming media production  
49 entity has more than ten employees. ~~[Salaries or other income]~~ Wages  
50 paid to a person serving in such a role for the digital gaming media  
51 production entity shall also not be included if the person was employed  
52 by a related person of the digital gaming media production entity within  
53 sixty months of the date the digital gaming media production entity  
54 applied for the tax credit certificate described in subdivision (d) of  
55 this section. For purposes of the preceding sentence, a related person  
56 shall have the same meaning as the term "related person" in section four

1 hundred sixty-five of the internal revenue code. [~~Furthermore, any~~  
2 ~~income or other distribution to any individual including, but not limit-~~  
3 ~~ed to, licensing or royalty fees, who holds an ownership interest in a~~  
4 ~~digital gaming media production entity, whether or not such individual~~  
5 ~~is serving in the role of chief executive officer, chief financial offi-~~  
6 ~~cer, president, treasurer or similar position for such an entity, shall~~  
7 ~~not be included as digital gaming media production costs. Up to four~~  
8 ~~million dollars in qualified digital gaming media production costs per~~  
9 ~~production shall be used in the calculation of this credit.~~] Digital  
10 gaming media production costs shall not include those costs used by the  
11 taxpayer or another taxpayer as the basis calculation of any other tax  
12 credit allowed under this chapter.

13 (3) "Qualified digital gaming media production costs" means digital  
14 gaming media production costs only to the extent such costs are attrib-  
15 utable to the use of property or the performance of services by any  
16 persons within the state directly [~~and predominantly~~] in the creation,  
17 production or modification of digital gaming related media. [~~Such total~~  
18 ~~production costs incurred and paid in this state shall be equal to or~~  
19 ~~exceed seventy-five percent of total cost of an eligible production~~  
20 ~~incurred and paid within and without this state.~~]

21 (4) "Digital gaming media production entity" means a corporation,  
22 partnership, limited partnership or other entity or individual engaged  
23 in qualified digital game development media production.

24 § 2. This act shall take effect immediately and shall apply to taxable  
25 years beginning on and after January 1, 2023 and before January 1, 2028.

26 PART BB

27 Section 1. Subdivision (a) of section 1166-b of the tax law, as added  
28 by section 2 of part WW of chapter 59 of the laws of 2019, is amended  
29 and a new subdivision (d) is added to read as follows:

30 (a) In addition to the tax imposed under section eleven hundred sixty  
31 of this article and in addition to any tax imposed under any other arti-  
32 cle of this chapter, there is hereby imposed and there shall be paid a  
33 tax at the rate of six percent upon the receipts from every rental of a  
34 passenger car that is not subject to the tax described in section eleven  
35 hundred sixty-six-a of this article and not otherwise exempt pursuant to  
36 subdivision (d) of this section, but which is a retail sale of such  
37 passenger car within the state.

38 (d) The transfer of possession of a motor vehicle for a consideration  
39 shall not be considered a rental for purposes of this section if such  
40 transfer is operated by a car-sharing organization which primarily  
41 engages in such operation outside of the metropolitan commuter transpor-  
42 tation district where it sells service. For purposes of this section, a  
43 "car-sharing organization" is an organization described in paragraph  
44 four of subdivision (a) of section eleven hundred sixteen of this chap-  
45 ter and offers an alternative means to car ownership under which the  
46 members of such entity are permitted to use a motor vehicle for a  
47 consideration. In addition, to the extent such services have already  
48 been or will be subject to the tax under this section for a use of a  
49 passenger car, a person who used such a passenger car as a member of  
50 such car-sharing organization shall be exempt from such use tax.

51 § 2. This act shall take effect June 1, 2024.

52 PART CC

1 Section 1. Subsection (e-1) of section 606 of the tax law, as added by  
2 section 1 of part U of chapter 62 of the laws of 2006, paragraph 2 as  
3 amended by chapter 532 of the laws of 2007, paragraph 3 as added and  
4 paragraph 4 as renumbered by section 4 of part N of chapter 61 of the  
5 laws of 2006, is amended to read as follows:

6 (e-1) Volunteer firefighters' and ambulance workers' credit. (1) For  
7 taxable years beginning on and after January first, two thousand seven  
8 and before January first, two thousand twenty-four, a resident taxpayer  
9 who serves as an active volunteer firefighter as defined in subdivision  
10 one of section two hundred fifteen of the general municipal law or as a  
11 volunteer ambulance worker as defined in subdivision fourteen of section  
12 two hundred nineteen-k of the general municipal law shall be allowed a  
13 credit against the tax imposed by this article equal to two hundred  
14 dollars. For taxable years beginning on and after January first, two  
15 thousand twenty-four, a resident taxpayer who serves as an active volun-  
16 teer firefighter as defined in subdivision one of section two hundred  
17 fifteen of the general municipal law or as a volunteer ambulance worker  
18 as defined in subdivision fourteen of section two hundred nineteen-k of  
19 the general municipal law shall be allowed a credit against the tax  
20 imposed by this article equal to eight hundred dollars. In order to  
21 receive this credit a volunteer firefighter or volunteer ambulance work-  
22 er must have been active for the entire taxable year for which the cred-  
23 it is sought.

24 (2) If a taxpayer receives a real property tax exemption relating to  
25 such service under title two of article four of the real property tax  
26 law, such taxpayer shall not be eligible for this credit; provided,  
27 however (A) if the taxpayer receives such real property tax exemption in  
28 the two thousand seven taxable year as a result of making application  
29 therefor in a prior year or (B) if the taxpayer notifies his or her  
30 assessor in writing by December thirty-first, two thousand seven of the  
31 taxpayer's intent to discontinue such real property tax exemption by not  
32 re-applying for such real property tax exemption by the next taxable  
33 status date, such taxpayer shall be eligible for this credit for the two  
34 thousand seven taxable year.

35 (3) In the case of [~~a husband and wife~~] spouses who file a joint  
36 return and who both individually qualify for the credit under this  
37 subsection for taxable years beginning on and after January first, two  
38 thousand seven and before January first, two thousand twenty-four, the  
39 amount of the credit allowed shall be four hundred dollars. For taxable  
40 years beginning on and after January first, two thousand twenty-four,  
41 the amount of the credit shall be sixteen hundred dollars.

42 (4) If the amount of the credit allowed under this subsection for any  
43 taxable year shall exceed the taxpayer's tax for such year, the excess  
44 shall be treated as an overpayment of tax to be credited or refunded in  
45 accordance with the provisions of section six hundred eighty-six of this  
46 article, provided, however, that no interest shall be paid thereon.

47 § 2. This act shall take effect immediately.

48 PART DD

49 Section 1. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1  
50 of subsection (a) of section 601 of the tax law, as amended by section 1  
51 of subpart A of part A of chapter 59 of the laws of 2022, are amended to  
52 read as follows:

53 (vi) For taxable years beginning in two thousand twenty-three [~~and~~  
54 ~~before two thousand twenty-eight~~] the following rates shall apply:



1	If the New York taxable income is:	The tax is:
2	Not over \$17,150	4% of the New York taxable income
3	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
4		\$17,150
5	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
6		\$23,600
7	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
8		\$27,900
9	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess over
10		\$161,550
11	Over \$323,200 but not over	\$18,252 plus 6.85% of excess over
12	\$2,155,350	\$323,200
13	Over \$2,155,350 but not over	\$143,754 plus 9.65% of excess over
14	\$5,000,000	\$2,155,350
15	Over \$5,000,000 but not over	\$418,263 plus 10.30% of
16		excess over \$5,000,000
17	\$25,000,000	
18	Over \$25,000,000	\$2,478,263 plus
19		10.90% of excess
20		over \$25,000,000

21	(vii) <u>For taxable years beginning in two thousand twenty-four and</u>	
22	<u>before two thousand twenty-eight the following rates shall apply:</u>	
23	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
24	<u>Not over \$17,150</u>	<u>4% of the New York taxable income</u>
25	<u>Over \$17,150 but not over \$23,600</u>	<u>\$686 plus 4.5% of excess over</u>
26		<u>\$17,150</u>
27	<u>Over \$23,600 but not over \$27,900</u>	<u>\$976 plus 5.25% of excess over</u>
28		<u>\$23,600</u>
29	<u>Over \$27,900 but not over \$161,550</u>	<u>\$1,202 plus 5.5% of excess over</u>
30		<u>\$27,900</u>
31	<u>Over \$161,550 but not over \$323,200</u>	<u>\$8,553 plus 6.00% of excess</u>
32		<u>over \$161,550</u>
33	<u>Over \$323,200 but not over</u>	<u>\$18,252 plus 6.85% of excess</u>
34	<u>\$2,155,350</u>	<u>over \$323,200</u>
35	<u>Over \$2,155,350 but not over</u>	<u>\$143,754 plus 9.65% of excess</u>
36	<u>5,000,000</u>	<u>over \$2,155,350</u>
37	<u>Over \$5,000,000 but not over</u>	<u>\$418,263 plus 10.80% of excess</u>
38	<u>\$25,000,000</u>	<u>over \$5,000,000</u>
39	<u>Over \$25,000,000</u>	<u>\$2,578,263 plus 11.40% of excess</u>
40		<u>over \$25,000,000</u>

41	(viii) For taxable years beginning after two thousand twenty-seven the	
42	following rates shall apply:	
43	If the New York taxable income is:	The tax is:
44	Not over \$17,150	4% of the New York taxable income
45	Over \$17,150 but not over \$23,600	\$686 plus 4.5% of excess over
46		\$17,150
47	Over \$23,600 but not over \$27,900	\$976 plus 5.25% of excess over
48		\$23,600
49	Over \$27,900 but not over \$161,550	\$1,202 plus 5.5% of excess over
50		\$27,900
51	Over \$161,550 but not over \$323,200	\$8,553 plus 6.00% of excess
52		over \$161,550
53	Over \$323,200 but not over	\$18,252 plus 6.85% of excess

1	\$2,155,350	over \$323,200
2	Over \$2,155,350	\$143,754 plus 8.82% of excess
3		over \$2,155,350

4 § 2. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of  
 5 subsection (b) of section 601 of the tax law, as amended by section 2 of  
 6 subpart A of part A of chapter 59 of the laws of 2022, are amended to  
 7 read as follows:

8 (vi) For taxable years beginning in two thousand twenty-three [~~and~~  
 9 ~~before two thousand twenty-eight~~] the following rates shall apply:

10	If the New York taxable income is:	The tax is:
11	Not over \$12,800	4% of the New York taxable income
12	Over \$12,800 but not over \$17,650	\$512 plus 4.5% of excess over
13		\$12,800
14	Over \$17,650 but not over \$20,900	\$730 plus 5.25% of excess over
15		\$17,650
16	Over \$20,900 but not over \$107,650	\$901 plus 5.5% of excess over
17		\$20,900
18	Over \$107,650 but not over \$269,300	\$5,672 plus 6.00% of excess over
19		\$107,650
20	Over \$269,300 but not over	\$15,371 plus 6.85% of excess over
21	\$1,616,450	\$269,300
22	Over \$1,616,450 but not over	\$107,651 plus 9.65% of excess over
23	\$5,000,000	\$1,616,450
24	Over \$5,000,000 but not over	\$434,163 plus 10.30%
25		of excess over \$5,000,000
26	\$25,000,000	
27	Over \$25,000,000	\$2,494,163 plus
28		10.90% of excess
29		over \$25,000,000

30 (vii) For taxable years beginning in two thousand twenty-four and  
 31 before two thousand twenty-eight the following rates shall apply:

32	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
33	<u>Not over \$12,800</u>	<u>4% of the New York taxable income</u>
34	<u>Over \$12,800 but not over \$17,650</u>	<u>\$512 plus 4.5% of excess over</u>
35		<u>\$12,800</u>
36	<u>Over \$17,650 but not over \$20,900</u>	<u>\$730 plus 5.25% of excess over</u>
37		<u>\$17,650</u>
38	<u>Over \$20,900 but not over \$107,650</u>	<u>\$901 plus 5.5% of excess over</u>
39		<u>\$20,900</u>
40	<u>Over \$107,650 but not over \$269,300</u>	<u>\$5,672 plus 6.00% of excess over</u>
41		<u>\$107,650</u>
42	<u>Over \$269,300 but not over</u>	<u>\$15,371 plus 6.85% of excess over</u>
43	<u>\$1,616,450</u>	<u>\$269,300</u>
44	<u>Over \$1,616,450 but not over</u>	<u>\$107,651 plus 9.65% of excess over</u>
45	<u>\$5,000,000</u>	<u>\$1,616,450</u>
46	<u>Over \$5,000,000 but not over</u>	<u>\$434,163 plus 10.80% of excess over</u>
47	<u>\$25,000,000</u>	<u>\$5,000,000</u>
48	<u>Over \$25,000,000</u>	<u>\$2,594,163 plus 11.40% of excess over</u>
49		<u>\$25,000,000</u>

50 (viii) For taxable years beginning after two thousand twenty-seven the  
 51 following rates shall apply:

52	If the New York taxable income is:	The tax is:
53	Not over \$12,800	4% of the New York taxable income

1	Over \$12,800 but not over	\$512 plus 4.5% of excess over
2	\$17,650	\$12,800
3	Over \$17,650 but not over	\$730 plus 5.25% of excess over
4	\$20,900	\$17,650
5	Over \$20,900 but not over	\$901 plus 5.5% of excess over
6	\$107,650	\$20,900
7	Over \$107,650 but not over	\$5,672 plus 6.00% of excess
8	\$269,300	over \$107,650
9	Over \$269,300 but not over	\$15,371 plus 6.85% of excess
10	\$1,616,450	over \$269,300
11	Over \$1,616,450	\$107,651 plus 8.82% of excess
12		over \$1,616,450

13 § 3. Clauses (vi) and (vii) of subparagraph (B) of paragraph 1 of  
 14 subsection (c) of section 601 of the tax law, as amended by section 3 of  
 15 subpart A of part A of chapter 59 of the laws of 2022, are amended to  
 16 read as follows:

17 (vi) For taxable years beginning in two thousand twenty-three [~~and~~  
 18 ~~before two thousand twenty-eight~~] the following rates shall apply:

19	If the New York taxable income is:	The tax is:
20	Not over \$8,500	4% of the New York taxable income
21	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
22		\$8,500
23	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
24		\$11,700
25	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
26		\$13,900
27	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess over
28		\$80,650
29	Over \$215,400 but not over	\$12,356 plus 6.85% of excess over
30	\$1,077,550	\$215,400
31	Over \$1,077,550 but not over	\$71,413 plus 9.65% of excess over
32	\$5,000,000	\$1,077,550
33	Over \$5,000,000 but not over	\$449,929 plus 10.30%
34		of excess over
35	\$25,000,000	\$5,000,000
36	Over \$25,000,000	\$2,509,929 plus
37		10.90% of excess over
38		\$25,000,000

39 (vii) For taxable years beginning in two thousand twenty-four and  
 40 before two thousand twenty-eight the following rates shall apply:

41	<u>If the New York taxable income is:</u>	<u>The tax is:</u>
42	<u>Not over \$8,500</u>	<u>4% of the New York taxable income</u>
43	<u>Over \$8,500 but not over \$11,700</u>	<u>\$340 plus 4.5% of excess over</u>
44		<u>\$8,500</u>
45	<u>Over \$11,700 but not over \$13,900</u>	<u>\$484 plus 5.25% of excess over</u>
46		<u>\$11,700</u>
47	<u>Over \$13,900 but not over \$80,650</u>	<u>\$600 plus 5.50% of excess over</u>
48		<u>\$13,900</u>
49	<u>Over \$80,650 but not over \$215,400</u>	<u>\$4,271 plus 6.00% of excess over</u>
50		<u>\$80,650</u>
51	<u>Over \$215,400 but not over</u>	<u>\$12,356 plus 6.85% of excess over</u>
52	<u>\$1,077,550</u>	<u>\$215,400</u>
53	<u>Over \$1,077,550 but not over</u>	<u>\$71,413 plus 9.65% of excess over</u>
54	<u>\$5,000,000</u>	<u>\$1,077,550</u>

1	<u>Over \$5,000,000 but not over</u>	<u>\$449,929 plus 10.80% of excess over</u>
2	<u>\$25,000,000</u>	<u>\$5,000,000</u>
3	<u>Over \$25,000,000</u>	<u>\$2,609,929 plus 11.40% of excess over</u>
4		<u>\$25,000,000</u>

5 (viii) For taxable years beginning after two thousand twenty-seven the  
6 following rates shall apply:

7	If the New York taxable income is:	The tax is:
8	Not over \$8,500	4% of the New York taxable income
9	Over \$8,500 but not over \$11,700	\$340 plus 4.5% of excess over
10		\$8,500
11	Over \$11,700 but not over \$13,900	\$484 plus 5.25% of excess over
12		\$11,700
13	Over \$13,900 but not over \$80,650	\$600 plus 5.50% of excess over
14		\$13,900
15	Over \$80,650 but not over \$215,400	\$4,271 plus 6.00% of excess
16		over \$80,650
17	Over \$215,400 but not over	\$12,356 plus 6.85% of excess
18	\$1,077,550	over \$215,400
19	Over \$1,077,550	\$71,413 plus 8.82% of excess
20		over \$1,077,550

21 § 4. Subsection (d-4) of section 601 of the tax law, as added by  
22 section 3 of subpart B of part A of chapter 59 of the laws of 2022, is  
23 amended to read as follows:

24 (d-4) Alternative tax table benefit recapture. Notwithstanding the  
25 provisions of subsection (d), (d-1), (d-2) or (d-3) of this section, for  
26 taxable years beginning on or after two thousand twenty-three and before  
27 two thousand twenty-eight, there is hereby imposed a supplemental tax in  
28 addition to the tax imposed under subsections (a), (b) and (c) of this  
29 section for the purpose of recapturing the benefit of the tax tables  
30 contained in such subsections. During these taxable years, any reference  
31 in this chapter to subsection (d), (d-1), (d-2) or (d-3) of this section  
32 shall be read as a reference to this subsection.

33 (1) For resident married individuals filing joint returns and resident  
34 surviving spouses:

35 (A) If New York adjusted gross income is greater than \$107,650, but  
36 not over \$25,000,000:

37 (i) the recapture base and incremental benefit shall be determined by  
38 New York taxable income as follows:

39 Greater than	Not over	Recapture Base	Incremental Benefit
40 \$27,900	\$161,550	\$0	\$333
41 \$161,550	\$323,200	\$333	\$807
42 \$323,200	\$2,155,350	\$1,140	\$2,747
43 \$2,155,350	\$5,000,000	\$3,887	\$60,350
44 \$5,000,000	\$25,000,000	\$64,237	\$32,500

45 (ii) the applicable amount shall be determined by New York taxable  
46 income as follows:

47 Greater than	Not over	Applicable Amount
48 \$27,900	\$161,550	New York adjusted gross income minus \$107,650
49 \$161,550	\$323,200	New York adjusted gross income minus \$161,550
50 \$323,200	\$2,155,350	New York adjusted gross income minus \$323,200
51 \$2,155,350	\$5,000,000	New York adjusted gross income minus \$2,155,350
52 \$5,000,000	\$25,000,000	New York adjusted gross income minus \$5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than twenty-seven thousand nine hundred dollars, the supplemental tax shall equal the difference between the product of 5.50 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of ~~10.90~~ 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (a) of this section.

(2) For resident heads of households:

(A) If New York adjusted gross income is greater than \$107,650, but not over \$25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

Greater than	Not over	Recapture Base	Incremental Benefit
\$107,650	\$269,300	\$0	\$787
\$269,300	\$1,616,450	\$787	\$2,289
\$1,616,450	\$5,000,000	\$3,076	\$45,261
\$5,000,000	\$25,000,000	\$48,337	\$32,500

(ii) the applicable amount shall be determined by New York taxable income as follows:

Greater than	Not over	Applicable Amount
\$107,650	\$269,300	New York adjusted gross income minus \$107,650
\$269,300	\$1,616,450	New York adjusted gross income minus \$269,300
\$1,616,450	\$5,000,000	New York adjusted gross income minus \$1,616,450
\$5,000,000	\$25,000,000	New York adjusted gross income minus \$5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than one hundred seven thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of ~~10.90~~ 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (b) of this section.



(3) For resident unmarried individuals, resident married individuals filing separate returns and resident estates and trusts:

(A) If New York adjusted gross income is greater than \$107,650, but not over \$25,000,000:

(i) the recapture base and incremental benefit shall be determined by New York taxable income as follows:

Greater than	Not over	Recapture Base	Incremental Benefit
\$80,650	\$215,400	\$0	\$568
\$215,400	\$1,077,550	\$568	\$1,831
\$1,077,550	\$5,000,000	\$2,399	\$30,172
\$5,000,000	\$25,000,000	\$32,571	\$32,500

(ii) the applicable amount shall be determined by New York taxable income as follows:

Greater than	Not over	Applicable Amount
\$80,650	\$215,400	New York adjusted gross income minus \$107,650
\$215,400	\$1,077,550	New York adjusted gross income minus \$215,400
\$1,077,550	\$5,000,000	New York adjusted gross income minus \$1,077,550
\$5,000,000	\$25,000,000	New York adjusted gross income minus \$5,000,000

(iii) the phase-in fraction shall be a fraction, the numerator of which shall be the lesser of fifty thousand dollars or the applicable amount and the denominator of which shall be fifty thousand dollars; and

(iv) the supplemental tax due shall equal the sum of the recapture base and the product of (i) the incremental benefit and (ii) the phase-in fraction. Provided, however, that if the New York taxable income of the taxpayer is less than eighty thousand six hundred fifty dollars, the supplemental tax shall equal the difference between the product of 6.00 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section, multiplied by a fraction, the numerator of which is the lesser of fifty thousand dollars or New York adjusted gross income minus one hundred seven thousand six hundred fifty dollars, and the denominator of which is fifty thousand dollars.

(B) If New York adjusted gross income is greater than twenty-five million dollars, the supplemental tax due shall equal the difference between the product of ~~10.90~~ 11.40 percent and New York taxable income and the tax table computation on the New York taxable income set forth in paragraph one of subsection (c) of this section.

§ 5. This act shall take effect immediately.

#### PART EE

Section 1. This act shall be known and may be cited as the "local journalism sustainability act".

§ 2. The tax law is amended by adding a new section 24-d to read as follows:

§ 24-d. Payroll credit for compensation of journalists. (a) In general. An eligible news journalist employer which is subject to tax under article nine-A or twenty-two of this chapter shall be allowed a credit against such tax, to be computed as provided in this section, for each calendar quarter an amount equal to the applicable percentage of wages paid by such employer to news journalists for such calendar quarter.

(b) Limitations. (1) The amount of wages paid with respect to any individual which may be taken into account under subdivision (a) of this section during any calendar quarter by the eligible news journalist employer shall not exceed twelve thousand five hundred dollars. Credit is allowed for individuals paid in excess of this amount but shall be

1 limited to a portion of the wages paid up to twelve thousand five  
2 hundred dollars per quarter.

3 (2) The provisions of this section shall only apply to the first four  
4 calendar quarters beginning after the effective date of this section.

5 (3) This section shall not apply with respect to any eligible news  
6 journalist employer for any calendar quarter if such employer elects (at  
7 such time and in such manner as the commissioner may prescribe) not to  
8 have this section apply.

9 (4) Any wages taken into account in determining the credit allowed  
10 under this section shall not be taken into account for purposes of  
11 determining any other credit allowed under this chapter.

12 (5) The credit allowable under this section shall be allowable for a  
13 period of one year from the effective date of this section. No credit  
14 shall be allowed under this section for any amount paid or incurred by  
15 the taxpayer in a taxable year commencing after the close of the one-  
16 year period. No credit shall be allowed under this section for any  
17 portion of an amount paid or incurred by the taxpayer in a taxable year  
18 for any wages that extend beyond the close of the one-year period begin-  
19 ning on the effective date of this section.

20 (c) Definitions. As used in this section, the following terms shall  
21 have the following meanings:

22 (1) "Applicable percentage" means fifty percent.

23 (2) (A) "Eligible news journalist employer" means, with respect to any  
24 calendar quarter, any employer which: (i) is a qualifying publication or  
25 a qualifying broadcast station; (ii) employs news journalists; and (iii)  
26 employs a total of one hundred employees or fewer.

27 (B) All persons treated as a single employer under subsection (a) or  
28 (b) of section 52 of the Internal Revenue Code of 1986, or subsection  
29 (m) or (o) of section 414 of such Code, shall be treated as one employer  
30 for purposes of this paragraph; provided that each FCC licensed broad-  
31 cast station or qualifying publication which serves a separate market  
32 shall be treated as a separate and single news journalist employer for  
33 the purposes of this tax credit.

34 (3) (A) "Qualifying broadcast station" means, with respect to any  
35 calendar quarter, any employer which:

36 (i) provides local community news, which is broadcast during the  
37 calendar quarter and has been broadcast during each of the four calendar  
38 quarters preceding such calendar quarter;

39 (ii) owns or operates a broadcast station, as defined by section three  
40 of the federal communications act of 1934;

41 (iii) is not a disqualified organization;

42 (iv) did not derive more than fifty percent of its gross receipts for  
43 such calendar quarter from disqualified organizations; and

44 (v) discloses its ownership to the public at such times and in such  
45 manner as identified by the commissioner.

46 (B) For purposes of this paragraph each FCC licensed broadcast station  
47 serving a separate market shall be treated as a separate and single news  
48 journalist employer.

49 (4) "News journalist" means, with respect to any eligible news jour-  
50 nalist for any calendar quarter, any full time employee who (A) provides  
51 qualified services for an average of not less than thirty hours per week  
52 for each week during which such employee is employed by the eligible  
53 news journalist employer during the calendar quarter, and (B) resides  
54 within the designated broadcast market or fifty miles of the local  
55 community with respect to the qualifying publication or qualifying

1 broadcast station with respect to which the qualified services are  
2 provided.

3 (5) "Qualified services" means services which consist of gathering,  
4 preparing, directing the recording of, producing, collecting, photo-  
5 graphing, recording, writing, editing, reporting, presenting or  
6 publishing original news for dissemination to the local community.

7 (6) "Qualifying publication" means, with respect to any calendar quar-  
8 ter, any print or digital publication:

9 (A) which provides local community news, which is published during the  
10 calendar quarter and has been published during each of the four calendar  
11 quarters preceding such calendar quarter;

12 (B) is not a disqualified organization;

13 (C) did not derive more than fifty percent of its gross receipts for  
14 such calendar quarter from disqualified organizations;

15 (D) which is covered by media liability insurance for such calendar  
16 quarter; and

17 (E) which publishes the owner's name pursuant to section three hundred  
18 thirty of the general business law, provided that a digital publication  
19 shall publish the information required by such section on the website of  
20 such publication.

21 (7) (A) "Local community" means, with respect to any qualifying publi-  
22 cation, a geographically contiguous area that does not exceed the bound-  
23 aries of:

24 (i) the metropolitan or micropolitan statistical area, as defined by  
25 the federal Office of Management and Budget, in which the qualifying  
26 publication is primarily distributed;

27 (ii) if such qualifying publication is not primarily distributed in a  
28 metropolitan or micropolitan statistical area, the county in which such  
29 qualifying publication is primarily distributed; or

30 (iii) if such qualifying publication is not primarily distributed in a  
31 metropolitan or micropolitan statistical area or a county, the state.

32 (B) A digital publication shall be considered to be primarily distrib-  
33 uted in the area where such publication is intended to be primarily  
34 consumed.

35 (8) "Disqualified organization" means:

36 (A) any organization described in section 501(c)(4) of the internal  
37 revenue code and exempt from tax under section 501(a) of such code;

38 (B) any organization described in section 527 of the internal revenue  
39 code; or

40 (C) any organization that is controlled, directly or indirectly, by  
41 one or more organizations described in subparagraph (A) or (B) of this  
42 paragraph.

43 (d) Maximum amount of credits. The maximum amount of tax credits  
44 allowed under this section, subdivision sixty of section two hundred  
45 ten-B and subsection (w) of section six hundred six of this chapter in  
46 any calendar year shall be two hundred thousand dollars per eligible  
47 news journalist employer. The maximum amount of tax credits allowed  
48 under this section, subdivision sixty of section two hundred ten-B and  
49 subsection (w) of section six hundred six of this chapter for all  
50 taxpayers in the state is twenty million dollars.

51 (e) Administration. The commissioner shall issue such forms,  
52 instructions, regulations, and guidance as are necessary:

53 (1) to allow the advance payment of the credit under subdivision (a)  
54 of this section, subject to the limitations provided in this section,  
55 based on such information as the commissioner shall require;

(2) to provide for the reconciliation of such advance payment with the amount advanced at the time of filing the return of tax for the applicable calendar quarter or taxable year; and

(3) with respect to the application of the credit under subdivision (a) of this section to third-party payors (including professional employer organizations, certified professional employer organizations, or agents under section 3504 of the Internal Revenue Code of 1986), including regulations or guidance allowing such payors to submit documentation necessary to substantiate the eligible employer status of employers that use such payors.

(f) Treatment of deposits. The commissioner shall waive any penalty under this chapter for any failure to make a deposit of any applicable employment taxes if the commissioner determines that such failure was due to the reasonable anticipation of the credit allowed under this section.

(g) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9-A: section 210-B: subdivision 60.

(2) article 22: section 606: subsections (i) and (w).

§ 3. Section 210-B of the tax law is amended by adding a new subdivision 60 to read as follows:

60. Payroll credit for compensation of journalists. (a) Allowance of credit. A taxpayer who is eligible pursuant to section twenty-four-d of this chapter shall be allowed a credit to be computed as provided in such section against the tax imposed by this article.

(b) Application of credit. The credit allowed under this subdivision for any taxable year shall not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article; provided, however, that if the amount of the credit allowable under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section one thousand eighty-six of this chapter; and provided, further, that the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

§ 4. Section 606 of the tax law is amended by adding a new subsection (w) to read as follows:

(w) Payroll credit for compensation of journalists. (1) Allowance of credit. A taxpayer who is eligible pursuant to section twenty-four-d of this chapter shall be allowed a credit to be computed as provided in such section against the tax imposed by this article.

(2) Application of credit. If the amount of the credit allowable under this subsection for any taxable year exceeds the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded as provided in section six hundred eighty-six of this article; provided, however, that no interest shall be paid thereon.

§ 5. Subparagraph (B) of paragraph 1 of subsection (i) of section 606 of the tax law is amended by adding a new clause (li) to read as follows:

(li) Payroll credit for compensation of journalists under subsection (w)

Amount of credit for the sum of payroll credit for compensation of journalists under subdivision sixty of section two hundred ten-B

§ 6. This act shall take effect immediately and shall apply to tax years commencing on and after January 1, 2024; provided that:

(a) this act shall expire and be deemed repealed January 1, 2029; and

(b) the expiration and repeal of this act shall not affect the processing or allowance of any tax credit provided in this act for any tax year commencing prior to January 1, 2029.

Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such date.

#### PART FF

Section 1. The tax law is amended by adding a new section 49 to read as follows:

§ 49. Work opportunity tax credit. (a) General. A taxpayer subject to tax under article nine-A, twenty-two, or thirty-three of this chapter shall be allowed a credit against such tax in an amount equal to one hundred percent of the credit that is allowed to the taxpayer under section 51 of the internal revenue code that is attributable to qualified wages paid to a New York resident who is a member of a targeted group and for whom a certificate to that effect has been issued by the department of labor.

(b) Definitions. The terms "qualified wages" and "targeted group" shall have the same meanings as in section 51 of the internal revenue code.

(c) Effect on other tax credits. Wages which are the basis of the credit under this section may not be used as the basis for any other credit allowed under this chapter.

(d) Limit on tax credits issued. Over the lifetime of the tax credit, the total amount of tax credits provided for under this section shall not exceed five million dollars.

(e) Cross-references. For application of the credit provided for in this section, see the following provisions of this chapter:

(1) article 9-A: section 210-B, subdivision 60;

(2) article 22: section 606, subsection (bbb);

(3) article 33: section 1511, subdivision (ff).

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 60 to read as follows:

60. Work opportunity tax credit. (a) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article. Such credit may not exceed five hundred dollars per eligible employee per year in any given tax year.

(b) Application of credit. The credit allowed under this subdivision for any taxable year may not reduce the tax due for such year to less than the amount prescribed in paragraph (d) of subdivision one of section two hundred ten of this article. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the tax to such amount or if the taxpayer otherwise pays tax based on the fixed dollar minimum amount, any amount of credit thus not deductible in such taxable year will be treated as an overpayment of tax to be credited in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.



§ 3. Section 606 of the tax law is amended by adding a new subsection (bbb) to read as follows:

(bbb) Work opportunity tax credit. (1) Allowance of credit. A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article. Such credit may not exceed five hundred dollars per eligible employee per year in any given tax year.

(2) Application of credit. If the amount of the credit allowed under this subsection for any taxable year shall exceed the taxpayer's tax for such year, the excess shall be treated as an overpayment of tax to be credited or refunded in accordance with the provisions of section six hundred eighty-six of this article, provided, however, that no interest shall be paid thereon.

§ 4. Section 1511 of the tax law is amended by adding a new subdivision (ff) to read as follows:

(ff) Work opportunity tax credit. (1) A taxpayer shall be allowed a credit, to be computed as provided in section forty-nine of this chapter, against the tax imposed by this article. Such credit may not exceed five hundred dollars per eligible employee per year in any given tax year.

(2) Application of credit. The credit allowed under this subdivision shall not reduce the tax due for such year to be less than the minimum fixed by paragraph four of subdivision (a) of section fifteen hundred two or section fifteen hundred two-a of this article, whichever is applicable. However, if the amount of the credit allowed under this subdivision for any taxable year reduces the taxpayer's tax to such amount, any amount of credit thus not deductible will be treated as an overpayment of tax to be credited in accordance with the provisions of section one thousand eighty-six of this chapter. Provided, however, the provisions of subsection (c) of section one thousand eighty-eight of this chapter notwithstanding, no interest shall be paid thereon.

§ 5. This act shall take effect April 1, 2024 and shall apply to taxable years beginning on and after January 1, 2024 and shall apply to wages paid to individuals hired on and after such effective date and shall expire and be deemed repealed December 31, 2026.

#### PART GG

Section 1. Subdivision (m) of section 301-a of the tax law, as added by section 20 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(m) Special rate adjustment for certain vessels. Notwithstanding any provision of this section to the contrary, the use of non-highway diesel motor fuel in the engine of a vessel to propel such vessel shall be subject to tax at the motor fuel and highway diesel motor fuel rate provided for in this section, and shall be subject to the provisions of section three hundred one-j of this article, including the adjustment set forth in paragraph ~~four~~ three of subdivision (a) of such section three hundred one-j. A credit or refund shall be available to the extent tax paid on gallonage used to propel any such vessel exceeds the amount of tax due based on the tax rate set forth herein. Provided, however, that the commissioner shall require such documentary proof to qualify for any credit or reimbursement provided hereunder as the commissioner deems appropriate.

§ 2. Paragraph 3 of subdivision (f) and paragraph 4 of subdivision (g) of section 301-a of the tax law are REPEALED.

§ 3. Subdivisions (a) and (d) of section 301-b of the tax law, subdivision (a) as added by chapter 190 of the laws of 1990, paragraph 5 of subdivision (a) as amended by section 3 of part E of chapter 59 of the laws of 2012, paragraphs 6, 7 and 8 of subdivision (a) as added by section 4 of part W-1 of chapter 109 of the laws of 2006, and subdivision (d) as amended by section 21 of part K of chapter 61 of the laws of 2011, are amended to read as follows:

(a) Products. (1) ~~[Kerosene sold or used by a petroleum business which is registered under article twelve-A of this chapter as a distributor of diesel motor fuel so long as (i) such product has not been blended or mixed with any other product constituting diesel motor fuel or motor fuel or a residual petroleum product and (ii) such product is not used by the petroleum business as fuel to operate a motor vehicle or sold by such petroleum business to a consumer for use as fuel to operate a motor vehicle.]~~

~~(2) Kero-jet fuel (i) sold by a petroleum business which is registered under article twelve-A of this chapter as a distributor of diesel motor fuel to a consumer for use exclusively as jet aircraft fuel or to a petroleum business registered under such article twelve-A as a "distributor of kero-jet fuel only" where such fixed base operator is engaged solely in making or offering to make retail sales not in bulk of kero-jet fuel directly into the fuel tank of an airplane for the purpose of operating such airplane, (ii) used by a petroleum business, registered under article twelve-A of this chapter as a distributor of diesel motor fuel, exclusively as jet aircraft fuel, or (iii) sold at retail not in bulk by a petroleum business registered under article twelve-A of this chapter as a "distributor of kero-jet fuel only" where such fuel is delivered directly into the fuel tank of a jet airplane for use in the operation of such airplane.]~~

~~(3)~~ Aviation gasoline, meeting the specifications set forth in American Standard Testing Material Specification D910 or Military Specification MIL-G-5572, which is imported or caused to be imported into this state by a petroleum business which is registered under article twelve-A of this chapter as a distributor of motor fuel or produced, refined, manufactured or compounded in this state by such a petroleum business.

~~[(4) Residual petroleum product sold by a petroleum business registered under this article as a residual petroleum product business if such product is sold by such petroleum business to a consumer for use exclusively as bunker fuel for vessels or if such product is used by such petroleum business exclusively as bunker fuel in its own vessels.]~~

~~(5)~~ (2) Liquefied petroleum gases, such as butane, ethane or propane.

~~[(6)]~~ (3) E85 imported or caused to be imported into this state or produced, refined, manufactured or compounded in this state by a petroleum business registered under article twelve-A of this chapter, as a distributor of motor fuel, and then sold by such petroleum business and delivered to a filling station and placed in a storage tank of such filling station for such E85 to be dispensed directly into a motor vehicle for use in the operation of such vehicle.

~~[(7)]~~ (i) Partial B20 exemption. B20 imported or caused to be imported into this state or produced, refined, manufactured or compounded in this state by a petroleum business registered under article twelve-A of this chapter, as a distributor of diesel motor fuel, and then sold by such petroleum business.

(ii) Calculation of partial exemption. The amount of the partial exemption under this paragraph shall be determined by multiplying the

1 quantity of B20 times twenty percent of the applicable taxes otherwise  
2 imposed by this article on such fuel.

3 [~~(8)~~] (4) CNG or hydrogen.

4 (d) Sales to consumers for heating purposes. [~~(1)~~] Total residential  
5 heating exemption. Non-highway diesel motor fuel sold by a petroleum  
6 business registered under article twelve-A of this chapter as a distrib-  
7 utor of diesel motor fuel or residual petroleum product sold by a petro-  
8 leum business registered under this article as a residual petroleum  
9 product business to the consumer exclusively for residential heating  
10 purposes only if such non-highway diesel motor fuel is delivered into a  
11 storage tank which is not equipped with a hose or other apparatus by  
12 which such fuel can be dispensed into the fuel tank of a motor vehicle  
13 and such storage tank is attached to the heating unit burning such fuel.

14 [~~(2) Partial non-residential heating exemption. (A) Non-highway diesel~~  
15 ~~motor fuel sold by a petroleum business registered under article~~  
16 ~~twelve-A of this chapter as a distributor of diesel motor fuel or resi-~~  
17 ~~dual petroleum product sold by a petroleum business registered under~~  
18 ~~this article as a residual petroleum product business to the consumer~~  
19 ~~exclusively for heating, other than residential heating purposes only if~~  
20 ~~such non-highway diesel motor fuel is delivered into a storage tank~~  
21 ~~which is not equipped with a hose or other apparatus by which such fuel~~  
22 ~~can be dispensed into the fuel tank of a motor vehicle and such storage~~  
23 ~~tank is attached to the heating unit burning such fuel (B) Calculation~~  
24 ~~of partial exemption. The partial exemption under this paragraph shall~~  
25 ~~be determined by multiplying the quantity of non-highway diesel motor~~  
26 ~~fuel and residual petroleum product eligible for the exemption times the~~  
27 ~~sum of the then current rate of the supplemental tax imposed by section~~  
28 ~~three hundred one-j of this article and forty six percent of the then~~  
29 ~~current rate of the tax imposed by section three hundred one-a of this~~  
30 ~~article, with respect to the specific non-highway diesel motor fuel or~~  
31 ~~residual petroleum product rate, as the case may be.]~~

32 § 4. The subdivision heading and paragraph 1 of subdivision (c) of  
33 section 301-b of the tax law, as added by chapter 190 of the laws of  
34 1990, are amended to read as follows:

35 Sales to [~~New York state and~~] the federal government. (1) Motor fuel  
36 imported or caused to be imported into this state or produced, refined,  
37 manufactured or compounded in this state by a petroleum business regis-  
38 tered under article twelve-A of this chapter, as a distributor of motor  
39 fuel, and then sold by such petroleum business to an organization  
40 described in paragraph [~~one or~~] two of subdivision (a) of section eleven  
41 hundred sixteen of this chapter where such motor fuel is used by such  
42 organization for its own use or consumption.

43 § 5. The opening paragraph and subdivisions (a) and (b) of section  
44 301-c of the tax law, the opening paragraph as amended by section 2 of  
45 part T of chapter 59 of the laws of 2022, subdivision (a) as amended by  
46 section 23 of part K of chapter 61 of the laws of 2011, and subdivision  
47 (b) as amended by chapter 330 of the laws of 1991, are amended to read  
48 as follows:

49 A subsequent purchaser shall be eligible for reimbursement of tax with  
50 respect to the following gallonage, subsequently sold by such purchaser  
51 in accordance with subdivision (a), (b), (e), (h), [~~(j), (k), (n) or~~  
52 ~~(e)~~] (i), (k) or (l) of this section or used by such purchaser in  
53 accordance with subdivision (c), (d), (f), (g), [~~(i), (l), (m)~~] (j) or  
54 (q) of this section, which gallonage has been included in the measure of  
55 the tax imposed by this article on a petroleum business:

(a) ~~[Non-highway Diesel motor fuel used for heating purposes. (1)]~~  
Total residential heating reimbursement. Non-highway Diesel motor fuel purchased in this state and sold by such purchaser to a consumer for use exclusively for residential heating purposes but only where (i) such non-highway diesel motor fuel is delivered into a storage tank which is not equipped with a hose or other apparatus by which such non-highway Diesel motor fuel can be dispensed into the fuel tank of a motor vehicle and such storage tank is attached to the heating unit burning such non-highway Diesel motor fuel, (ii) the tax imposed pursuant to this article has been paid with respect to such non-highway diesel motor fuel and the entire amount of such tax has been absorbed by such purchaser, and (iii) such purchaser possesses documentary proof satisfactory to the commissioner evidencing the absorption by it of the entire amount of the tax imposed pursuant to this article. Provided, however, that the commissioner is authorized, in the event that the commissioner determines that it would not threaten the integrity of the administration and enforcement of the tax imposed by this article, to provide a reimbursement with respect to a retail sale to a consumer for residential heating purposes of less than ten gallons of non-highway diesel motor fuel provided such fuel is not dispensed into the tank of a motor vehicle.

~~[(2) Partial non-residential heating reimbursement. (A) Non-highway Diesel motor fuel purchased in this state and sold by such purchaser to a consumer for use exclusively for heating, other than for residential heating purposes, but only where (i) such non-highway diesel motor fuel is delivered into a storage tank which is not equipped with a hose or other apparatus by which such non-highway Diesel motor fuel can be dispensed into the fuel tank of a motor vehicle and such storage tank is attached to the heating unit burning such non-highway Diesel motor fuel, (ii) the tax imposed pursuant to this article has been paid with respect to such non-highway diesel motor fuel and the entire amount of such tax has been absorbed by such purchaser, and (iii) such purchaser possesses documentary proof satisfactory to the commissioner evidencing the absorption by it of the entire amount of the tax imposed pursuant to this article.]~~

~~(B) Calculation of partial reimbursement. Notwithstanding any other provision of this article, the amount of the reimbursement under this paragraph shall be determined by multiplying the quantity of non-highway diesel motor fuel eligible for the reimbursement times the sum of the then current rate of the supplemental tax imposed by section three hundred one-j of this article and forty-six percent of the then current rate of the tax imposed by section three hundred one-a of this article, with respect to the non-highway diesel motor fuel rate, as the case may be.]~~

(b) Sales to ~~[New York state and]~~ the federal government. Motor fuel and diesel motor fuel purchased in this state and sold by such purchaser in this state to an organization described in paragraph ~~[one or]~~ two of subdivision (a) of section eleven hundred sixteen of this chapter where (i) such motor fuel or diesel motor fuel is for such organization's own use or consumption, (ii) the tax imposed pursuant to this article has been paid with respect to such motor fuel or diesel motor fuel and the entire amount of such tax has been absorbed by such purchaser and, (iii) such purchaser possesses documentary proof satisfactory to the commissioner of taxation and finance evidencing the absorption by it of the entire amount of the tax imposed pursuant to this article. Provided, however, that the commissioner ~~[of taxation and finance]~~ shall require such documentary proof to qualify for any reimbursement of tax provided

1 by this section as the commissioner deems appropriate, including the  
2 expansion of any certification required pursuant to section two hundred  
3 eighty-five-a or two hundred eighty-five-b of this chapter to cover the  
4 taxes imposed pursuant to this article.

5 § 6. The opening paragraph of section 301-c of the tax law, as amended  
6 by section 3 of part T of chapter 59 of the laws of 2022, is amended to  
7 read as follows:

8 A subsequent purchaser shall be eligible for reimbursement of tax with  
9 respect to the following gallonage, subsequently sold by such purchaser  
10 in accordance with subdivision (a), (b), (e), (h), ~~[(j)]~~ or ~~[(k)]~~ (i) of  
11 this section or used by such purchaser in accordance with subdivision  
12 (c), (d), (f), (g), ~~[(i)], (l), (m)]~~ (j) or (q) of this section, which  
13 gallonage has been included in the measure of the tax imposed by this  
14 article on a petroleum business:

15 § 7. Subdivisions (i), (j) and (l) of section 301-c of the tax law are  
16 REPEALED.

17 § 8. Subdivisions (k), (m), (n), (o) and (p) of section 301-c of the  
18 tax law are relettered subdivisions (i), (j), (k), (l) and (m).

19 § 9. Section 301-d of the tax law is REPEALED.

20 § 10. Subdivision (f) of section 301-e of the tax law is REPEALED.

21 § 11. Subdivision (a) of section 301-j of the tax law, as amended by  
22 chapter 309 of the laws of 1996, paragraphs 1, 2, 3 and 4 as amended by  
23 section 29 of part K of chapter 61 of the laws of 2011, is amended to  
24 read as follows:

25 (a) Imposition of tax. (1) In addition to the taxes imposed by  
26 sections three hundred one-a and three hundred one-e of this article,  
27 there is hereby imposed upon every petroleum business subject to tax  
28 imposed under section three hundred one-a of this article and every  
29 aviation fuel business subject to the aviation gasoline component of the  
30 tax imposed under section three hundred one-e of this article, a supple-  
31 mental monthly tax for each or any part of a taxable month at a rate of  
32 six and eight-tenths cents per gallon with respect to the products  
33 included in each component of the taxes imposed by such section three  
34 hundred one-a and the aviation gasoline component of the tax imposed by  
35 such section three hundred one-e of this article.

36 (2) ~~[(3)] Provided, however, "commercial gallonage," as such term is~~  
37 ~~defined in subdivision (k) of section three hundred of this article,~~  
38 ~~shall be exempt from the measure of the tax imposed under this section.~~

39 ~~[(3)]~~ (3) Provided, further, "railroad diesel," as such term is defined in  
40 subdivision (1) of section three hundred of this article, shall be  
41 exempt from the measure of the tax imposed under this section.

42 ~~[(4)]~~ (3) Provided, further, a separate per gallon rate shall apply  
43 with respect to highway diesel motor fuel. Such rate shall be determined  
44 by taking the adjusted rate per gallon of tax imposed under paragraph  
45 one of this subdivision as adjusted in accordance with paragraph ~~[(five)]~~  
46 four of this subdivision and subtracting therefrom one and three-quar-  
47 ters cents. Commencing January first, two thousand twelve, and each  
48 January thereafter, the per gallon rate applicable to highway diesel  
49 motor fuel shall be the adjusted rate under paragraph one of this subdivi-  
50 sion as adjusted in accordance with paragraph ~~[(five)]~~ four of this  
51 subdivision which commences on such date minus one and three-quarters  
52 cents. The resulting rate under this paragraph shall be expressed in  
53 hundredths of a cent.

54 ~~[(5)]~~ (4) Except as herein provided, the tax imposed under this  
55 section shall be calculated in the same respective manner as the taxes  
56 imposed by section three hundred one-a and section three hundred one-e



1 of this article. Except [~~for section three hundred one-d and except~~] as  
2 otherwise provided in this section, all the provisions of this article  
3 applicable to the taxes imposed by sections three hundred one-a and  
4 three hundred one-e of this article, shall apply with respect to the  
5 supplemental tax imposed by this section to the same extent as if it  
6 were respectively imposed by such sections.

7 § 12. Subparagraphs (ix) and (x) of paragraph 3 and paragraph 5 of  
8 subdivision (c) of section 1105 of the tax law, subparagraph (ix) of  
9 paragraph 3 as added by chapter 395 of the laws of 1998, subparagraph  
10 (x) of paragraph 3 as added by section 1 of part FF of chapter 407 of  
11 the laws of 1999, and paragraph 5 as amended by chapter 321 of the laws  
12 of 2005, are amended to read as follows:

13 (ix) [~~such services rendered with respect to tangible property used or~~  
14 ~~consumed directly and predominantly in the production for sale of gas or~~  
15 ~~oil by manufacturing, processing, generating, assembling, refining,~~  
16 ~~mining, or extracting.~~

17 ~~(x)]~~ such services rendered with respect to property described in  
18 paragraph twelve-a of subdivision (a) of section eleven hundred fifteen  
19 of this article.

20 (5) Maintaining, servicing or repairing real property, property or  
21 land, as such terms are defined in the real property tax law, whether  
22 the services are performed in or outside of a building, as distinguished  
23 from adding to or improving such real property, property or land, by a  
24 capital improvement as such term capital improvement is defined in para-  
25 graph nine of subdivision (b) of section eleven hundred one of this  
26 article, but excluding (i) services rendered by an individual who is not  
27 in a regular trade or business offering his services to the public, (ii)  
28 [~~services rendered directly with respect to real property, property or~~  
29 ~~land used or consumed directly and predominantly in the production for~~  
30 ~~sale of gas or oil by manufacturing, processing, generating, assembling,~~  
31 ~~refining, mining, or extracting, (iii)] services rendered with respect  
32 to real property, property or land used or consumed predominantly either  
33 in the production of tangible personal property, for sale, by farming or  
34 in a commercial horse boarding operation, or in both and [~~(iv)]~~ (iii)  
35 services of removal of waste material from a facility regulated as a  
36 transfer station or construction and demolition debris processing facil-  
37 ity by the department of environmental conservation, provided that the  
38 waste material to be removed was not generated by the facility.~~

39 § 13. Subparagraph (xi) of paragraph 3 of subdivision (c) of section  
40 1105 of the tax law is REPEALED.

41 § 14. Paragraph 9 of subdivision (a) of section 1115 of the tax law is  
42 REPEALED.

43 § 15. Paragraphs 3 and 4 of subdivision (a) of section 1221 of the tax  
44 law, paragraph 3 as amended by chapter 2 of the laws of 1995 and para-  
45 graph 4 as added by chapter 93 of the laws of 1965 are amended and a new  
46 paragraph 5 is added to read as follows:

47 (3) except in accordance with the provisions of section twenty-b of  
48 the general city law, a tax upon gross incomes, gross operating incomes  
49 or gross receipts of persons subject to taxation under the provisions of  
50 section one hundred eighty-six-a or one hundred eighty-six-e of this  
51 chapter, but this clause shall not be deemed to restrict the power to  
52 tax persons not subject to taxation under such section of this chapter  
53 who are otherwise subject to taxation under subdivision (a) of section  
54 twelve hundred one, nor the power to provide for credits against any tax  
55 imposed pursuant to such subdivision, nor to limit the rates of taxes

1 authorized to be imposed by such subdivision (a) of such section twelve  
2 hundred one, [~~or~~]

3 (4) a tax upon interest or dividends received from a corporation by a  
4 person referred to in this section[~~], or~~

5 (5) a tax on fuel sold to an airline for use in its airplanes.

6 § 16. Section 1148 of the tax law is amended by adding a new subdivi-  
7 sion (d) to read as follows:

8 (d) Provided, however, before such funds are distributed pursuant to  
9 subdivision (a) of this section, any revenue collected by the state,  
10 from fuel sold to an airline for use in its airplanes, under the author-  
11 ity granted to the state by this article shall be dedicated to the  
12 aviation purpose account of the dedicated highway and bridge trust fund,  
13 provided that the portion for the airport or aviation state program  
14 shall be no less than forty million dollars annually, with the remaining  
15 revenue collected from such taxes being dedicated to the capital  
16 projects fund for aviation purposes required in connection therewith of  
17 airports and aviation facilities, equipment and related projects.

18 § 17. Paragraph (ii) of subdivision (b) of section 1115 of the tax  
19 law, as amended by section 30 of part Y of chapter 63 of the laws of  
20 2000, is amended to read as follows:

21 (ii) [~~Gas, electricity~~] Electricity, refrigeration and steam, and  
22 [~~gas,~~] electric, refrigeration and steam service of whatever nature for  
23 use or consumption directly and exclusively in research and development  
24 in the experimental or laboratory sense shall be exempt from the tax  
25 imposed under subdivision (b) of section eleven hundred five and the  
26 compensating use tax imposed under section eleven hundred ten of this  
27 article. Such research and development shall not be deemed to include  
28 the ordinary testing or inspection of materials or products for quality  
29 control, efficiency surveys, management studies, consumer surveys,  
30 advertising, promotions or research in connection with literary, histor-  
31 ical or similar projects.

32 § 18. Paragraph 1 of subdivision (c) of section 1115 of the tax law,  
33 as amended by section 7 of part B of chapter 63 of the laws of 2000, is  
34 amended to read as follows:

35 (1) [~~Fuel, gas, electricity~~] Electricity, refrigeration and steam, and  
36 [~~gas,~~] electric, refrigeration and steam service of whatever nature for  
37 use or consumption directly and exclusively in the production of tangi-  
38 ble personal property, [~~gas,~~] electricity, refrigeration or steam, for  
39 sale, by manufacturing, processing, assembling, generating, refining,  
40 mining or extracting shall be exempt from the taxes imposed under subdivi-  
41 sions (a) and (b) of section eleven hundred five and the compensating  
42 use tax imposed under section eleven hundred ten of this article.

43 § 19. Subdivision (j) of section 1115 of the tax law, as amended by  
44 section 41 of part K of chapter 61 of the laws of 2011, is amended to  
45 read as follows:

46 (j) The exemptions provided in this section shall not apply to the tax  
47 required to be prepaid pursuant to the provisions of section eleven  
48 hundred two of this article nor to the taxes imposed by sections eleven  
49 hundred five and eleven hundred ten of this article with respect to  
50 receipts from sales and uses of motor fuel or diesel motor fuel, [~~except~~  
51 ~~that the exemptions provided in paragraphs nine and forty-two of subdivi-~~  
52 ~~vision (a) of this section shall apply to the tax required to be prepaid~~  
53 ~~pursuant to the provisions of section eleven hundred two of this article~~  
54 ~~and to the taxes imposed by sections eleven hundred five and eleven~~  
55 ~~hundred ten of this article with respect to sales and uses of kero-jet~~  
56 ~~fuel,~~] CNG, hydrogen and E85, provided, however, the exemption allowed

1 for E85 shall be subject to the additional requirements provided in  
2 section eleven hundred two of this article with respect to E85. The  
3 exemption provided in subdivision (c) of this section shall apply to  
4 sales and uses of non-highway diesel motor fuel but only if all of such  
5 fuel is consumed other than on the public highways of this state. The  
6 exemption provided in subdivision (c) of this section shall apply to  
7 sales and uses of non-highway diesel motor fuel for use or consumption  
8 either in the production for sale of tangible personal property by farm-  
9 ing or in a commercial horse boarding operation, or in both but only if  
10 all of such fuel is consumed other than on the public highways of this  
11 state (except for the use of the public highways to reach adjacent farm-  
12 lands or adjacent lands used in a commercial horse boarding operation,  
13 or both).

14 § 20. Subdivision (j) of section 1115 of the tax law, as amended by  
15 section 41-a of part K of chapter 61 of the laws of 2011, is amended to  
16 read as follows:

17 (j) The exemptions provided in this section shall not apply to the tax  
18 required to be prepaid pursuant to the provisions of section eleven  
19 hundred two of this article nor to the taxes imposed by sections eleven  
20 hundred five and eleven hundred ten of this article with respect to  
21 receipts from sales and uses of motor fuel or diesel motor fuel~~[, except~~  
22 ~~that the exemption provided in paragraph nine of subdivision (a) of this~~  
23 ~~section shall apply to the tax required to be prepaid pursuant to the~~  
24 ~~provisions of section eleven hundred two of this article and to the~~  
25 ~~taxes imposed by sections eleven hundred five and eleven hundred ten of~~  
26 ~~this article with respect to sales and uses of kero-jet fuel]~~. The  
27 exemption provided in subdivision (c) of this section shall apply to  
28 sales and uses of non-highway diesel motor fuel but only if all of such  
29 fuel is consumed other than on the public highways of this state. The  
30 exemption provided in subdivision (c) of this section shall apply to  
31 sales and uses of non-highway diesel motor fuel for use or consumption  
32 either in the production for sale of tangible personal property by farm-  
33 ing or in a commercial horse boarding operation, or in both but only if  
34 all of such fuel is consumed other than on the public highways of this  
35 state (except for the use of the public highways to reach adjacent farm-  
36 lands or adjacent lands used in a commercial horse boarding operation,  
37 or both).

38 § 21. Subdivision (s) of section 1115 of the tax law, as added by  
39 chapter 201 of the laws of 1995, is relettered subdivision (p).

40 § 22. Subdivision (w) of section 1115 of the tax law, as added by  
41 section 32 of part Y of chapter 63 of the laws of 2000, is amended to  
42 read as follows:

43 (w) Receipts from the sale of ~~[gas-or]~~ electricity or ~~[gas-or]~~ elec-  
44 tric service of whatever nature and consideration given or contracted to  
45 be given for, or for the use of, ~~[gas-or]~~ electricity or ~~[gas-or]~~ elec-  
46 tric service of whatever nature purchased for use or consumption direct-  
47 ly and exclusively to provide ~~[gas-or]~~ electric service of whatever  
48 nature consisting of operating ~~[a gas pipeline or gas distribution line~~  
49 ~~or]~~ an electric transmission or distribution line ~~[and ensuring the~~  
50 ~~necessary working pressure in an underground gas storage facility]~~ shall  
51 be exempt from sales and compensating use taxes imposed by this article.  
52 Such exempt ~~[gas-or]~~ electricity or ~~[gas-or]~~ electric service of whatev-  
53 er nature shall include, but shall not be limited to, such ~~[gas-or]~~  
54 electricity or ~~[gas-or]~~ electric service of whatever nature used or  
55 consumed directly and exclusively to (1) ~~[ensure necessary working pres-~~  
56 ~~sure in a gas pipeline used to transport, transmit or distribute gas,~~

~~(2) operate compressors used to transport, transmit or distribute gas through such a gas pipeline or distribution line or used to ensure necessary working pressure in such a storage facility, (3) operate heaters to prevent gas in such a pipeline or distribution line from freezing, (4) operate equipment which removes impurities and moisture from gas in such a pipeline or distribution line, (5)]~~ operate substations and equipment related to electric transmission and distribution lines such as transformers, capacitors, meters, switches, communication devices and heating and cooling equipment, and ~~[(6)]~~ (2) ensure the reliability of electricity or electric service transmitted or distributed through such lines, for example, by operating reserve capacity machinery and equipment.

§ 23. Subdivision (k) of section 300 of the tax law, as amended by section 17 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(k) "Commercial gallonage" means gallonage (1) which is non-highway diesel motor fuel or residual petroleum product, (2) ~~[which is included in the full measure of the non-highway diesel motor fuel component or the residual petroleum product component of the tax imposed under section three hundred one-a of this article, (3)]~~ which does not (and will not) qualify (A) ~~[for the utility credit or reimbursement provided for in section three hundred one-d of this article, (B)]~~ as "manufacturing gallonage", as such term is defined in subdivision (m) of this section, ~~[(C)]~~ or (B) for the not-for-profit organization exemption provided for in subdivision (h) of section three hundred one-b of this article, ~~[or (D) for the heating exemption provided for in paragraph two of subdivision (d) of section three hundred one-b of this article or the heating reimbursement provided for in paragraph two of subdivision (a) of section three hundred one-c of this article,]~~ and ~~[(4)]~~ (3) which will not be used nor has been used in the fuel tank connecting with the engine of a vessel. No gallonage shall qualify as "commercial gallonage" where such gallonage is eligible for the ~~[(i) utility credit or reimbursement under such section three hundred one-d of this article, (ii) "manufacturing exemption" under paragraph three of subdivision (f) of section three hundred one-a of this article, (iii)]~~ not-for-profit organization exemption under subdivision (h) of section three hundred one-b of this article~~[, or (iv) heating exemption provided for in paragraph two of subdivision (d) of section three hundred one-b of this article or the heating reimbursement provided for in paragraph two of subdivision (a) of section three hundred one-c of this article]~~. The commissioner shall require such documentary proof to substantiate the classification of product as "commercial gallonage" as the commissioner deems appropriate.

§ 24. Paragraph 1 of subdivision (f) of section 301-b of the tax law, as amended by section 21 of part K of chapter 61 of the laws of 2011, is amended to read as follows:

(1) Residual petroleum product and non-highway diesel motor fuel sold to an electric corporation, ~~[as described in subdivision (a) of section three hundred one-d of this article,]~~ as defined in subdivision thirteen of section two of the public service law, subject to the supervision of the department of public service, which is registered with the department as a petroleum business tax direct pay permittee, and used by such electric corporation to fuel generators for the purpose of manufacturing or producing electricity where such electric corporation provides a copy of a direct pay permit authorized and issued by the commissioner, to the petroleum business making such sale. If so registered, such corporation

1 shall be a taxpayer under this article and (i) such electric corporation  
2 shall file a return monthly and pay the applicable tax under this arti-  
3 cle, after the application of allowable credits, on all such purchases  
4 directly to the commissioner, (ii) such electric corporation shall be  
5 subject to all of the provisions of this article relating to the respon-  
6 sibilities and liabilities of taxpayers under this article with respect  
7 to such residual petroleum product and non-highway diesel motor fuel.

8 § 25. This act shall take effect immediately and shall apply to taxa-  
9 ble years commencing on or after the first of January next succeeding  
10 the date on which it shall have become a law; provided, however, that:

11 (a) the amendments to paragraphs 6, 7 and 8 of subdivision (a) of  
12 section 301-b made by section three of this act shall not affect the  
13 repeal of such paragraphs and shall be deemed repealed therewith;

14 (b) the amendments to the opening paragraph of section 301-c of the  
15 tax law made by section five of this act shall be subject to the expira-  
16 tion and reversion of such paragraph pursuant to section 19 of part W-1  
17 of chapter 109 of the laws of 2006, as amended, when upon such date the  
18 provisions of section six of this act shall take effect;

19 (c) the amendments to subdivisions (k) and (l) of section 301-c of the  
20 tax law made by section eight of this act shall not affect the repeal of  
21 such subdivisions and shall be deemed repealed therewith; and

22 (d) the amendments to subdivision (j) of section 1115 of the tax law  
23 made by section nineteen of this act shall be subject to the expiration  
24 and reversion of such subdivision pursuant to section 19 of part W-1 of  
25 chapter 109 of the laws of 2006, as amended, when upon such date the  
26 provisions of section twenty of this act shall take effect.

27 PART HH

28 Section 1. Paragraph 1 of subsection (d) of section 606 of the tax  
29 law, as amended by section 1 of part Q of chapter 63 of the laws of  
30 2000, is amended to read as follows:

31 (1) General. A taxpayer shall be allowed a credit as provided herein  
32 equal to (i) the applicable percentage of the earned income credit  
33 allowed under section thirty-two of the internal revenue code for the  
34 same taxable year, (ii) reduced by the credit permitted under subsection  
35 (b) of this section.

36 The applicable percentage shall be (i) seven and one-half percent for  
37 taxable years beginning in nineteen hundred ninety-four, (ii) ten  
38 percent for taxable years beginning in nineteen hundred ninety-five,  
39 (iii) twenty percent for taxable years beginning after nineteen hundred  
40 ninety-five and before two thousand, (iv) twenty-two and one-half  
41 percent for taxable years beginning in two thousand, (v) twenty-five  
42 percent for taxable years beginning in two thousand one, (vi) twenty-  
43 seven and one-half percent for taxable years beginning in two thousand  
44 two, and (vii) thirty percent for taxable years beginning in two thou-  
45 sand three and thereafter, provided that for taxable years beginning in  
46 two thousand twenty-four and thereafter the percentage shall be twenty-  
47 five percent for taxpayers with qualifying children as defined in 26  
48 U.S.C. § 152(c). Provided, however, that if the reversion event, as  
49 defined in this paragraph, occurs, the applicable percentage shall be  
50 twenty percent for taxable years ending on or after the date on which  
51 the reversion event occurred. The reversion event shall be deemed to  
52 have occurred on the date on which federal action, including but not  
53 limited to, administrative, statutory or regulatory changes, materially  
54 reduces or eliminates New York state's allocation of the federal tempo-



1 rary assistance for needy families block grant, or materially reduces  
2 the ability of the state to spend federal temporary assistance for needy  
3 families block grant funds for the earned income credit or to apply  
4 state general fund spending on the earned income credit toward the  
5 temporary assistance for needy families block grant maintenance of  
6 effort requirement, and the commissioner of the office of temporary and  
7 disability assistance shall certify the date of such event to the  
8 commissioner of taxation and finance, the director of the division of  
9 the budget, the speaker of the assembly and the temporary president of  
10 the senate.

11 § 2. Paragraph 1 of subsection (c-1) of section 606 of the tax law, as  
12 amended by section 1 of part HH of chapter 56 of the laws of 2023, is  
13 amended to read as follows:

14 (1) [A] For taxable years beginning prior to January first, two thou-  
15 sand twenty-four, a resident taxpayer shall be allowed a credit as  
16 provided herein equal to the greater of one hundred dollars times the  
17 number of qualifying children of the taxpayer or the applicable percent-  
18 age of the child tax credit allowed the taxpayer under section twenty-  
19 four of the internal revenue code for the same taxable year for each  
20 qualifying child. Provided, however, in the case of a taxpayer whose  
21 federal adjusted gross income exceeds the applicable threshold amount  
22 set forth by section 24(b)(2) of the Internal Revenue Code, the credit  
23 shall only be equal to the applicable percentage of the child tax credit  
24 allowed the taxpayer under section 24 of the Internal Revenue Code for  
25 each qualifying child. For the purposes of this subsection, a qualifying  
26 child shall be a child who meets the definition of qualified child under  
27 section 24(c) of the internal revenue code. The applicable percentage  
28 shall be thirty-three percent. For purposes of this subsection, any  
29 reference to section 24 of the Internal Revenue Code shall be a refer-  
30 ence to such section as it existed immediately prior to the enactment of  
31 Public Law 115-97.

32 § 3. Section 606 of the tax law is amended by adding a new subsection  
33 (c-2) to read as follows:

34 (c-2) New York state working families tax credit. (1) For taxable  
35 years beginning on and after January first, two thousand twenty-four, a  
36 resident taxpayer with a New York state adjusted gross income of less  
37 than seventy-five thousand dollars in the case of an individual who is  
38 not married; one hundred thirty thousand dollars in the case of a joint  
39 return; or seventy-five thousand dollars in the case of a married indi-  
40 vidual filing a separate return shall be allowed a credit equal to five  
41 hundred fifty dollars times the number of qualifying children as defined  
42 in 26 U.S.C. § 152 (c). The amount of the credit per child shall be  
43 reduced by twenty dollars for each one thousand dollars by which the  
44 taxpayer's New York state adjusted gross income exceeds seventy-five  
45 thousand dollars in the case of an individual who is not married; one  
46 hundred thirty thousand dollars in the case of a joint return; or seven-  
47 ty-five thousand dollars in the case of a married individual filing a  
48 separate return. Such resident taxpayer must provide the social securi-  
49 ty number or individual taxpayer identification number for each qualify-  
50 ing child in order to receive the credit described in this subsection.

51 (2) If the amount of the credit allowed under this subsection for any  
52 taxable year shall exceed the taxpayer's tax for such year, the excess  
53 shall be treated as an overpayment of tax to be credited or refunded in  
54 accordance with the provisions of section six hundred eighty-six of this  
55 article, provided, however, that no interest shall be paid thereon.

(3) In the case of a husband and wife who file a joint federal return, but who are required to determine their New York taxes separately, the credit allowed pursuant to this subsection may be applied against the tax imposed of either or divided between them as they may elect.

(4) Notwithstanding any provision of law to the contrary, the refundable credit and its payment authorized under this subsection shall be treated in the same manner as the federal Earned Income Tax Credit and shall not be considered as assets, income, or resources to the same extent the credit and its payment would be disregarded pursuant to 26 U.S.C. § 6409 and the general welfare doctrine for purposes of determining eligibility for benefits or assistance, or the amount or extent of those benefits or assistance, under any state or local program, including benefits established under section ninety-five of the social services law.

§ 4. This act shall take effect immediately.

## PART II

Section 1. The opening paragraph of paragraph (a) of subdivision 1 of section 210 of the tax law, as amended by section 1 of subpart A of part I of chapter 59 of the laws of 2023, is amended to read as follows:

For taxable years beginning before January first, two thousand sixteen, the amount prescribed by this paragraph shall be computed at the rate of seven and one-tenth percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand sixteen, the amount prescribed by this paragraph shall be six and one-half percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand twenty-one and before January first, two thousand ~~twenty-seven~~ twenty-four for any taxpayer with a business income base for the taxable year of more than five million dollars, the amount prescribed by this paragraph shall be seven and one-quarter percent of the taxpayer's business income base. For taxable years beginning on or after January first, two thousand twenty-four and before January first, two thousand twenty-seven for any taxpayer with a business income base for the taxable year of more than five million dollars, the amount prescribed by this paragraph shall be nine percent of the taxpayer's business income base. The taxpayer's business income base shall mean the portion of the taxpayer's business income apportioned within the state as hereinafter provided. However, in the case of a small business taxpayer, as defined in paragraph (f) of this subdivision, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (iv) of this paragraph and in the case of a manufacturer, as defined in subparagraph (vi) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vi) of this paragraph, and, in the case of a qualified emerging technology company, as defined in subparagraph (vii) of this paragraph, the amount prescribed by this paragraph shall be computed pursuant to subparagraph (vii) of this paragraph.

§ 2. This act shall take effect immediately.

## PART JJ

Section 1. Paragraphs 2 and 4 of subsection (e-2) of section 606 of the tax law, as amended by section 1 of part III of chapter 59 of the laws of 2021, are amended to read as follows:

1 (2) For tax years beginning on or after January first, two thousand  
2 twenty-one and before January first, two thousand [~~twenty-four~~] twenty-  
3 seven, a qualified taxpayer shall be allowed a credit as provided in  
4 paragraph three of this subsection against the taxes imposed by this  
5 article. If the credit exceeds the tax for such year under this article,  
6 the excess shall be treated as an overpayment, to be credited or  
7 refunded, without interest.

8 (4) [~~No~~] For tax years beginning before January first, two thousand  
9 twenty-four, no credit shall be allowed under this subsection if the  
10 amount determined pursuant to paragraph three is less than two hundred  
11 fifty dollars and for tax years beginning on or after January first, two  
12 thousand twenty-four and before January first, two thousand twenty-seven  
13 no credit shall be allowed under this subsection if the amount deter-  
14 mined pursuant to paragraph three of this subsection is less than one  
15 hundred dollars, provided further that if the amount determined pursuant  
16 to paragraph three is in excess of three hundred fifty dollars the  
17 taxpayer shall be allowed a credit of three hundred fifty dollars.

18 § 2. This act shall take effect immediately.

19 § 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
20 sion, section or part of this act shall be adjudged by any court of  
21 competent jurisdiction to be invalid, such judgment shall not affect,  
22 impair, or invalidate the remainder thereof, but shall be confined in  
23 its operation to the clause, sentence, paragraph, subdivision, section  
24 or part thereof directly involved in the controversy in which such judg-  
25 ment shall have been rendered. It is hereby declared to be the intent of  
26 the legislature that this act would have been enacted even if such  
27 invalid provisions had not been included herein.

28 § 3. This act shall take effect immediately provided, however, that  
29 the applicable effective date of Parts A through JJ of this act shall be  
30 as specifically set forth in the last section of such Parts.