

# STATE OF NEW YORK

10612

## IN ASSEMBLY

March 13, 2026

Introduced by M. of A. SHRESTHA -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to imposing a special tax on artwork, antique furniture, and antique jewelry sold at auction; and to amend the state finance law, in relation to establishing the art education fund

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

1 Section 1. The tax law is amended by adding a new article 28-E to read  
2 as follows:

3 ARTICLE 28-E

4 SPECIAL TAX ON ARTWORK, ANTIQUE FURNITURE, AND ANTIQUE JEWELRY  
5 SOLD AT AUCTION

6 Section 1199. Definitions.

7 1199-a. Imposition of special tax.

8 1199-b. Administrative provisions.

9 1199-c. Deposit and disposition of revenue.

10 1199-d. Rules and regulations.

11 § 1199. Definitions. As used in this article, the following terms  
12 shall have the following meanings:

13 (a) "Art" shall be a work of art, artwork, art piece, piece of art or  
14 art object that is an aesthetic physical item or artistic creation.

15 (b) "Antique furniture" shall be furniture created over one hundred  
16 twenty-five years ago.

17 (c) "Antique jewelry" shall be jewelry created over one hundred twen-  
18 ty-five years ago.

19 (d) "Auction" includes any auction taking place in the state or being  
20 managed by an entity that has a New York tax resale certificate or has  
21 an auctioneer's license in any locality that requires it within the  
22 state.

23 § 1199-a. Imposition of special tax. In addition to any other tax  
24 imposed by this chapter or other law, there is hereby imposed a tax of  
25 three-tenths of one percent or one dollar, whichever is greater, on the  
26 receipts from the sale of art, antique furniture or antique jewelry at

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

LBD09987-05-6

1 auction. The tax is imposed on the purchaser and shall be collected by  
2 the entity conducting the auction at the time of sale, provided however,  
3 that where the tax imposed pursuant to this section is not collected by  
4 the entity conducting the auction the purchaser shall remit such tax  
5 directly to the commissioner.

6 § 1199-b. Administrative provisions. Every person required to collect  
7 or pay the tax imposed under section eleven hundred ninety-nine-a of  
8 this article shall file a return and pay such tax required to be  
9 collected to the commissioner of taxation and finance on or before the  
10 twentieth day after the close of the quarterly period in which the sale  
11 took place.

12 § 1199-c. Deposit and disposition of revenue. The taxes collected or  
13 received by the commissioner under this article shall be deposited in  
14 the art education fund established pursuant to section ninety-seven-uuuu  
15 of the state finance law and disposed of pursuant to the provisions of  
16 such section.

17 § 1199-d. Rules and regulations. The commissioner shall promulgate all  
18 rules and regulations necessary to carry out the provisions of this  
19 article.

20 § 2. The state finance law is amended by adding a new section 97-uuuu  
21 to read as follows:

22 § 97-uuuu. Art education fund. 1. As used in this section, the  
23 following terms shall have the following meanings:

24 (a) "Art education" shall include the following activities: painting,  
25 visual arts, ceramics, field trips to museums or other institutions  
26 recognized by the council, and stipends for artists in residence.

27 (b) "Council" means the New York state council on the arts.

28 (c) "Eligible school" means a public school receiving federal funds  
29 pursuant to Title I of the Elementary and Secondary Education Act of  
30 nineteen hundred sixty-five.

31 (d) "Recipient designee" means an eligible school or, at the school's  
32 option, a community-based organization, vendor, fiscal agent, or other  
33 third party nominated by an eligible school to receive and administer an  
34 art education award on the school's behalf, provided such entity is  
35 prequalified in the New York state statewide financial system.

36 (e) "Regrant administrator" means an entity selected by the council to  
37 receive funds pursuant to the provisions of this section.

38 (f) "Three-year award term" means a funding commitment covering three  
39 consecutive fiscal years which secures an award with a floor of fifteen  
40 thousand dollars in the first year of such award, and the second and  
41 third years subject to annual funding availability.

42 (g) "Rural school" means an eligible school located in a district  
43 classified as "rural" or "rural high-need" by the state education  
44 department, or any successor designation.

45 (h) "Base per-pupil rate" means the statewide per-pupil allocation  
46 calculated pursuant to subdivision five of this section.

47 (i) "Award amount" means the final allocation to an eligible school  
48 after application of the minimum and maximum award adjustments set forth  
49 in subdivision five of this section.

50 2. There is hereby created in the joint custody of the state comp-  
51 troller and the commissioner of taxation and finance a fund to be known  
52 as the "art education fund".

53 3. Such fund shall consist of all revenues received by the department  
54 of taxation and finance, pursuant to the provisions of section eleven  
55 hundred ninety-nine-b of the tax law and all other monies appropriated,  
56 credited, or transferred thereto from any other fund or source pursuant

1 to law. Monies in the fund shall be kept separate and shall not be  
2 commingled with any other monies otherwise appropriated or received  
3 except as hereby provided.

4 4. (a) One percent of the monies of the fund shall be made available  
5 to the council for administrative costs.

6 (b) The remaining ninety-nine percent of the monies of the fund shall  
7 be available to the council to be transferred to one or more regrant  
8 administrators for the purpose of providing assistance for art education  
9 and art supplies at public schools receiving federal funds pursuant to  
10 Title I of the Elementary and Secondary Education Act of nineteen  
11 hundred sixty-five, as amended. Awards shall not be issued on a  
12 reimbursement basis. Provided, however, that a regrant administrator  
13 may retain up to one percent of the funds it receives for administrative  
14 costs and shall redistribute the remaining ninety-nine percent to recip-  
15 ient designees for three-year award terms.

16 (c) Any monies remaining in the fund or any regrant administrator  
17 account at the end of each fiscal year which have not been expended for  
18 art education or art supplies shall be either retained or redeposited  
19 into the fund, as applicable.

20 5. (a) The council shall select as regrant administrators the twenty-  
21 six state community regrant partners. Where an eligible school is not  
22 served by a community regrant partner, the council may designate an  
23 alternative entity to administer awards in that region. Regional allo-  
24 cations shall be based on each region's proportionate share of pupils  
25 enrolled in Title I programs. Award amounts shall be calculated as  
26 follows:

27 (i) Base per-pupil rate. The council shall annually calculate a state-  
28 wide base per-pupil rate by dividing the total amount available for  
29 awards by the total number of pupils enrolled in Title I programs at  
30 eligible schools.

31 (ii) Provisional allocation. Each eligible school shall receive a  
32 provisional allocation equal to the base per-pupil rate multiplied by  
33 the number of pupils enrolled in Title I programs at such school.

34 (iii) Minimum award adjustments. A rural school shall receive not less  
35 than ten thousand dollars. A non-rural school shall receive not less  
36 than fifteen thousand dollars.

37 (iv) Maximum award adjustment. No eligible school shall receive more  
38 than twenty thousand dollars.

39 (v) Normalization. If the total amount of awards calculated pursuant  
40 to this subdivision exceeds the amount available for awards, the council  
41 shall proportionally adjust the award amounts of schools whose allo-  
42 cations exceed the applicable minimum award until the total equals the  
43 amount available for awards.

44 (vi) Three-year award term. Awards shall be issued for three-year  
45 award terms, subject to annual funding availability.

46 (b) Guidelines issued pursuant to this subdivision shall be limited to  
47 administrative procedures necessary to implement the formula set forth  
48 in subdivision five of this section and shall not impose application,  
49 competitive review, or scoring requirements.

50 6. The council shall provide by September first of each year, to the  
51 governor, the temporary president of the senate, the speaker of the  
52 assembly, the chair of the senate finance committee and the chair of the  
53 assembly ways and means committee, a report containing guidelines and  
54 amendments established by the state council on the arts and a complete  
55 financial statement including, but not limited to, monies allocated,  
56 collected, transferred or otherwise paid or credited to the fund. A

1 projected schedule of disbursements and receipts of the fund for the  
2 next fiscal year shall be included in each report. In addition, any  
3 amendments to the guidelines shall be provided to the above listed indi-  
4 viduals within thirty days of their establishment by the council.

5 7. No monies shall be payable from this fund, except on the audit and  
6 warrant of the comptroller on vouchers certified and submitted by the  
7 chair of the council.

8 § 3. This act shall take effect on the first of January next succeed-  
9 ing the date on which it shall have become a law. Effective immediately,  
10 the addition, amendment and/or repeal of any rule or regulation neces-  
11 sary for the implementation of this act on its effective date are  
12 authorized to be made and completed on or before such effective date.