

STATE OF NEW YORK

11460

IN ASSEMBLY

May 19, 2026

Introduced by COMMITTEE ON RULES -- (at request of 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 establishing a property tax
offset in Ulster county

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

1 Section 1. The tax law is amended by adding a new article 30-C to read
2 as follows:

ARTICLE 30-C

ULSTER COUNTY PROPERTY TAX OFFSET

Section 1360. Definitions.

6 1361. Authority to impose surcharge.

7 1362. Persons subject to surcharge.

8 1363. Excess state tax; rate; thresholds.

9 1364. County resident, county nonresident and part-year county
10 resident individuals.

11 1365. Returns and liabilities.

12 1366. Change of county resident status during taxable year.

13 1367. Estates and trusts.

14 1368. Partnerships, limited liability companies, corporations
15 and exempt entities.

16 1369. Withholding from wages.

17 1370. Credit for surcharge withheld; estimated surcharge.

18 1371. Administration, enforcement, collection and review.

19 1372. Local law adoption, filing, effective date and repeal.

20 1373. Deposit and disposition of revenues.

21 1374. Regulations, forms and guidance.

22 1375. Severability.

23 1376. Duration of authority.

24 § 1360. Definitions. (a) Definitions. For purposes of this article:

25 (1) "County" means the county of Ulster.

26 (2) "Surcharge" means the Ulster county resident income tax surcharge
27 authorized by this article.

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

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1 (3) "Taxable year" has the same meaning as in article twenty-two of
2 this chapter.

3 (4) "Article twenty-two return" means a New York state personal income
4 tax return or fiduciary income tax return required under article twen-
5 ty-two of this chapter.

6 (5) "Net state tax" means the sum of taxes imposed under article twen-
7 ty-two of this chapter for the taxable year, less credits allowed under
8 such article other than withholding, estimated tax payments, and refund-
9 able credits.

10 (6) "Benchmark state tax" means the amount that would constitute the
11 taxpayer's net state tax for the taxable year, determined using the
12 taxpayer's actual filing status, deductions, exemptions, and credits
13 otherwise allowable for that taxable year, if New York state taxable
14 income were deemed equal to the applicable threshold amount and such
15 other assumptions as the commissioner shall prescribe by regulation.

16 (7) "Excess state tax" means the excess, if any, of net state tax over
17 benchmark state tax.

18 (8) "Applicable threshold amount" means: (A) for an individual not
19 filing a joint return, two hundred thousand dollars; (B) for individuals
20 filing a joint return, four hundred thousand dollars; and (C) for an
21 estate or trust, zero dollars.

22 (b) Use of terms. Terms used in this article and not otherwise
23 defined shall have the same meanings as when used in a comparable
24 context in article twenty-two of this chapter, except where a different
25 meaning is clearly required.

26 § 1361. Authority to impose surcharge. (a) General authority.
27 Notwithstanding any other provision of law to the contrary, but subject
28 to the limitations and conditions set forth in this article, Ulster
29 county, acting through its county legislature, is hereby authorized and
30 empowered to adopt, amend, and repeal local laws imposing a resident
31 income tax surcharge.

32 (b) Local law required. No surcharge shall be imposed under this arti-
33 cle unless Ulster county has adopted a local law in accordance with
34 section thirteen hundred seventy-two of this article.

35 (c) Fixed rate. The surcharge authorized by this article shall be
36 imposed at the fixed rate of sixteen and seventy-five hundredths percent
37 of excess state tax. No local law adopted pursuant to this article shall
38 impose any other rate or rate schedule.

39 (d) Fixed thresholds. Except with respect to estates and trusts, to
40 which a threshold of zero applies, the surcharge authorized by this
41 article shall apply only to New York state income tax assessed on
42 incomes above two hundred thousand dollars for an individual not filing
43 a joint return under article twenty-two of this chapter and above four
44 hundred thousand dollars for individuals filing a joint return under
45 article twenty-two of this chapter.

46 (e) No local variations. No local law adopted pursuant to this article
47 shall create county-specific deductions, exemptions, exclusions, addi-
48 tions, subtractions, credits, alternative tax bases or other variations
49 from the tax base, rate, thresholds, persons subject to surcharge, with-
50 holding requirements, administrative provisions or taxpayer remedies set
51 forth in this article unless expressly authorized by state law.

52 (f) No reduction of state tax. The surcharge shall not reduce, offset
53 or otherwise affect a taxpayer's liability for any tax imposed under
54 article twenty-two of this chapter.

55 (g) Prospective application. No surcharge, amendment, repeal, expira-
56 tion or termination adopted pursuant to this article shall apply

1 retroactively. Any such local law, amendment, repeal, expiration or
2 termination shall take effect only on the first day of January of a
3 taxable year and shall apply only to taxable years beginning on or after
4 such effective date; provided, however, that no surcharge shall apply to
5 any taxable year beginning before the local law imposing such surcharge
6 has been finally adopted and filed as required by this article and by
7 applicable law.

8 (h) No nonresident income tax. This article shall not authorize Ulster
9 county to impose a tax, surcharge or other liability upon a county
10 nonresident individual, county nonresident estate or county nonresident
11 trust solely by reason of income derived from sources within Ulster
12 county.

13 § 1362. Persons subject to surcharge. (a) County residents. For each
14 taxable year for which a local law adopted pursuant to this article is
15 in effect, the surcharge shall be imposed on every county resident indi-
16 vidual, county resident estate and county resident trust that has excess
17 state tax greater than zero and is required to file an article twenty-
18 two return for such taxable year.

19 (b) Part-year county residents. A part-year county resident individual
20 or part-year county resident trust shall be subject to the surcharge
21 only for the portion of the taxable year during which such individual or
22 trust was a county resident, computed in accordance with section thir-
23 teen hundred sixty-six of this article.

24 (c) Nonresidents excluded. No surcharge shall be imposed under this
25 article on a county nonresident individual, county nonresident estate or
26 county nonresident trust solely by reason of income, gain, loss,
27 deduction, employment, business activity, real property, tangible prop-
28 erty, intangible property or other economic activity within Ulster coun-
29 ty.

30 (d) No separate county filing obligation for nonfilers. No individual,
31 estate or trust shall be required to file a return solely by reason of
32 this article if such individual, estate or trust is not otherwise
33 required to file an article twenty-two return, except that a return may
34 be filed to claim a refund or credit of amounts withheld or paid pursu-
35 ant to this article.

36 (e) Taxable year. A taxpayer's taxable year for purposes of the
37 surcharge shall be the same as such taxpayer's taxable year under arti-
38 cle twenty-two of this chapter.

39 § 1363. Excess state tax; rate; thresholds. (a) Rate. The surcharge
40 shall equal sixteen and seventy-five hundredths percent of excess state
41 tax.

42 (b) Individuals. For an individual, excess state tax shall be computed
43 by subtracting benchmark state tax from net state tax, not less than
44 zero.

45 (c) Estates and trusts. For a county resident estate or trust, excess
46 state tax shall equal net state tax, not less than zero.

47 (d) Part-year county residents. When an individual or trust changes
48 county resident status during the taxable year, net state tax and bench-
49 mark state tax for the county resident period shall be computed under
50 rules substantially similar to the provisions of section thirteen
51 hundred twenty-seven of this chapter, adapted to this article. The
52 commissioner may prescribe special rules where the standard formula
53 yields an inequitable or indeterminate result.

54 (e) Commissioner authority. The commissioner shall promulgate regu-
55 lations for the computation of benchmark state tax. Such regulations
56 shall provide rules for joint returns, spouses with different county

1 resident status, part-year county residents, estates and trusts, separate
2 taxes, minimum taxes, additions to tax, credits, recaptures, and
3 any other item necessary to compute benchmark state tax in a manner
4 consistent with this article and article twenty-two of this chapter.

5 § 1364. County resident, county nonresident and part-year county resi-
6 dent individuals. (a) County resident individual. A county resident
7 individual means an individual:

8 (1) who is domiciled in Ulster county, unless:

9 (A) the taxpayer maintains no permanent place of abode in Ulster coun-
10 ty or maintains a permanent place of abode elsewhere and spends in the
11 aggregate not more than thirty days of the taxable year in Ulster coun-
12 ty; or

13 (B) within any period of five hundred forty-eight consecutive days,
14 the taxpayer is present in a foreign country or countries for at least
15 four hundred fifty days, and during such period the taxpayer, the
16 taxpayer's spouse, unless legally separated, and the taxpayer's minor
17 children are not present in Ulster county for more than ninety days, and
18 during any portion of the taxable year within which such five hundred
19 forty-eight-day period begins or ends the taxpayer's presence in Ulster
20 county does not exceed a proportionate part of ninety days as determined
21 under regulations of the commissioner; or

22 (2) who maintains a permanent place of abode in Ulster county and
23 spends in the aggregate more than one hundred eighty-three days of the
24 taxable year in Ulster county, whether or not domiciled in Ulster county
25 for any portion of the taxable year, unless such individual is in active
26 service in the armed forces of the United States.

27 (b) County nonresident individual. A county nonresident individual
28 means an individual who is not a county resident individual or part-year
29 county resident individual.

30 (c) Part-year county resident individual. A part-year county resident
31 individual means an individual who is not a county resident individual
32 or county nonresident individual for the entire taxable year.

33 (d) Permanent place of abode. The term "permanent place of abode" has
34 the same meaning as under article twenty-two of this chapter and the
35 regulations and guidance of the commissioner thereunder shall apply to
36 this article by substituting "Ulster county" for "New York state" or
37 "this state" where appropriate.

38 (e) Days spent in county. In determining days spent in Ulster county,
39 the commissioner shall apply rules consistent with article twenty-two of
40 this chapter and the regulations thereunder, including rules governing
41 presence for part of a day, travel through the jurisdiction, medical
42 treatment, military service and other exceptions recognized under state
43 personal income tax residency rules.

44 § 1365. Returns and liabilities. (a) General. Every county resident
45 individual, county resident estate or county resident trust subject to
46 surcharge under this article shall report and pay the surcharge as part
47 of the return required under article twenty-two of this chapter, in such
48 manner and on such forms as the commissioner shall prescribe.

49 (b) Joint returns; both spouses county residents. Where spouses file a
50 joint return under article twenty-two of this chapter and both spouses
51 are county residents for the entire taxable year, the surcharge shall be
52 computed on the joint excess state tax using the threshold amount appli-
53 cable to individuals filing a joint return, and both spouses shall be
54 jointly and severally liable for the surcharge.

1 (c) Joint returns; one spouse county resident. Where spouses file a
2 joint return under article twenty-two of this chapter and only one
3 spouse is a county resident or part-year county resident:

4 (1) the spouses may elect to compute the surcharge as though both
5 spouses were county residents for the taxable year or relevant portion
6 thereof, in which case both spouses shall be jointly and severally
7 liable for the surcharge; or

8 (2) absent such election, the county resident spouse shall compute
9 surcharge liability separately, in such manner as the commissioner shall
10 prescribe, as if separate federal and New York state returns had been
11 filed, and the threshold amount applicable to individuals not filing a
12 joint return shall apply. The nonresident spouse shall not be liable for
13 the surcharge except with respect to amounts withheld or paid on such
14 spouse's behalf.

15 (d) Separate returns. Where spouses file separate returns under arti-
16 cle twenty-two of this chapter, the surcharge shall be computed sepa-
17 rately and the threshold amount applicable to individuals not filing a
18 joint return shall apply.

19 (e) Decedents. The return for a deceased individual shall be made and
20 filed by the executor, administrator or other person charged with the
21 property of the decedent, in the same manner as provided under article
22 twenty-two of this chapter.

23 (f) Liability. The surcharge imposed by this article shall be a tax
24 for purposes of assessment, collection, enforcement, refund, interest,
25 penalty, lien, secrecy, administrative review and judicial review under
26 article twenty-two of this chapter, except as otherwise provided in this
27 article.

28 § 1366. Change of county resident status during taxable year. (a)
29 Individuals. If an individual changes status during the taxable year
30 from county resident to county nonresident, or from county nonresident
31 to county resident, such individual shall compute surcharge liability
32 only for the period during which the individual was a county resident,
33 subject to such exceptions and rules as the commissioner may prescribe.

34 (b) Trusts. If the status of a trust changes during its taxable year
35 from county resident trust to county nonresident trust, or from county
36 nonresident trust to county resident trust, the fiduciary shall compute
37 surcharge liability only for the period during which the trust was a
38 county resident trust, subject to such exceptions and rules as the
39 commissioner may prescribe.

40 (c) Special rules. If the computation under this section produces an
41 inequitable, indeterminate or administratively impracticable result, the
42 commissioner may prescribe alternative methods reasonably calculated to
43 reflect the taxpayer's county resident period.

44 § 1367. Estates and trusts. (a) County resident estate. A county resi-
45 dent estate means the estate of a decedent who, at death, was domiciled
46 in Ulster county.

47 (b) County resident trust. A county resident trust means a trust, or
48 portion of a trust:

49 (1) consisting of property transferred by will of a decedent who, at
50 death, was domiciled in Ulster county;

51 (2) consisting of property of a person domiciled in Ulster county at
52 the time such property was transferred to the trust, if such trust or
53 portion of a trust was then irrevocable, or if it was then revocable and
54 has not subsequently become irrevocable; or

55 (3) consisting of property of a person domiciled in Ulster county at
56 the time such trust or portion of a trust became irrevocable, if it was

1 revocable when such property was transferred to the trust but subse-
2 quently became irrevocable.

3 (c) Resident trust exclusion. A county resident trust shall not be
4 subject to a surcharge under this article for a taxable year if all of
5 the following conditions are satisfied for such taxable year:

6 (1) all trustees are domiciled outside Ulster county;

7 (2) the entire corpus of the trust, including real property and tangi-
8 ble personal property, is located outside Ulster county; and

9 (3) all income and gains of the trust are derived from or connected
10 with sources outside Ulster county, determined as if the trust were a
11 county nonresident trust.

12 (d) County nonresident estate or trust. A county nonresident estate or
13 county nonresident trust means an estate or trust that is not a county
14 resident estate, county resident trust or part-year county resident
15 trust.

16 (e) Part-year county resident trust. A part-year county resident trust
17 means a trust that is not a county resident trust or county nonresident
18 trust for the entire taxable year.

19 (f) No income threshold. The threshold amounts specified in subpara-
20 graph (B) of paragraph eight of subsection (a) of section thirteen
21 hundred sixty of this article, that are above zero, apply only to indi-
22 viduals and shall not apply to estates or trusts.

23 (g) Fiduciary compliance. A fiduciary of an estate or trust subject to
24 this article shall file returns, make payments, claim refunds and main-
25 tain records in the same manner as required under article twenty-two of
26 this chapter, as modified by this article and by regulations or
27 instructions of the commissioner.

28 (h) Conformity with article twenty-two. Except as otherwise provided
29 in this section, the rules governing resident estates, resident trusts,
30 nonresident estates, nonresident trusts and part-year resident trusts
31 under article twenty-two of this chapter shall apply for purposes of
32 this article, with such substitutions and modifications as the commis-
33 sioner shall prescribe.

34 § 1368. Partnerships, limited liability companies, corporations and
35 exempt entities. (a) Partnerships. A partnership shall not be subject
36 to the surcharge at the entity level. Persons carrying on business as
37 partners shall be liable for the surcharge only in their individual,
38 estate or trust capacities, as applicable.

39 (b) Limited liability companies. For purposes of this article, a
40 limited liability company treated as a partnership for federal income
41 tax purposes shall be treated as a partnership, and a limited liability
42 company disregarded for federal income tax purposes shall be disregarded
43 in the same manner as under article twenty-two of this chapter.

44 (c) Information reporting. The commissioner may require partnerships,
45 limited liability companies and other pass-through entities to furnish
46 such information as the commissioner deems necessary to administer and
47 enforce this article.

48 (d) Corporations. Entities taxable as corporations for federal income
49 tax purposes shall not be subject to the surcharge imposed by this arti-
50 cle.

51 (e) Exempt entities. Entities exempt from federal income tax shall not
52 be subject to the surcharge imposed by this article, except to the
53 extent a person otherwise subject to this article is taxable under arti-
54 cle twenty-two of this chapter with respect to income, gain or other
55 items associated with such entity.

1 § 1369. Withholding from wages. (a) General. Every employer required
2 to deduct and withhold tax from wages under article twenty-two of this
3 chapter shall, with respect to wages paid to an employee who is a county
4 resident, deduct and withhold the surcharge authorized by this article
5 in such manner as the commissioner shall prescribe.

6 (b) Tables and methods. The commissioner shall prescribe withholding
7 tables, percentage methods, electronic methods, forms, certificates and
8 instructions necessary to implement withholding under this article,
9 including tables and methods that take account of the fixed rate and
10 threshold amounts specified in this article.

11 (c) Certificate of county residence. The commissioner may require
12 employees to furnish employers with a certificate of county residence or
13 nonresidence in such form and manner as the commissioner shall
14 prescribe.

15 (d) Employer safe harbor. An employer that withholds or does not with-
16 hold in good faith reliance on the employee's most recent certificate of
17 county residence or nonresidence shall not be liable for underwithhold-
18 ing under this article unless the employer had actual knowledge that
19 such certificate was false or materially inaccurate.

20 (e) Employee liability preserved. No safe harbor provided to an
21 employer under subsection (d) of this section shall relieve an employee
22 of liability for surcharge, penalty or interest otherwise due under this
23 article.

24 (f) False certificates. A false or materially inaccurate certificate
25 of county residence or nonresidence shall be subject to the penalties
26 applicable to false or fraudulent statements under article twenty-two of
27 this chapter.

28 § 1370. Credit for surcharge withheld; estimated surcharge. (a) Credit
29 allowed. Amounts withheld or paid as estimated surcharge shall be cred-
30 ited against surcharge liability.

31 (b) No reduction of income. Amounts withheld pursuant to this article
32 shall be treated solely as payments on account and shall not alter the
33 computation of net state tax, benchmark state tax, excess state tax, or
34 surcharge liability.

35 (c) Refunds. If the amount withheld or otherwise paid under this arti-
36 cle exceeds surcharge liability, the excess shall be refunded or credit-
37 ed in the same manner as overpayments under article twenty-two of this
38 chapter, subject to lawful offsets and section thirteen hundred seven-
39 ty-three of this article.

40 (d) Estimated surcharge. Taxpayers subject to the surcharge imposed
41 pursuant to this article shall make payments of estimated surcharge in
42 the same manner, at the same times and subject to the same rules as
43 estimated tax payments under article twenty-two of this chapter.

44 (e) First-year relief. For the first taxable year for which a local
45 law adopted pursuant to this article is effective, no addition to tax
46 shall be imposed for underpayment of estimated surcharge to the extent
47 the underpayment is attributable to the initial adoption of such local
48 law and the taxpayer acted in good faith under rules prescribed by the
49 commissioner.

50 § 1371. Administration, enforcement, collection and review. (a) State
51 administration. Except as otherwise provided in this article, the
52 surcharge imposed pursuant to this article shall be administered and
53 collected by the commissioner in the same manner as the tax imposed
54 under article twenty-two of this chapter. The commissioner shall
55 prescribe worksheets, forms, and electronic reporting specifications
56 required to compute benchmark state tax and excess state tax.

1 (b) Incorporation of article twenty-two. All provisions of article
2 twenty-two of this chapter relating to or applicable to payment of esti-
3 ated tax, returns, filing requirements, payment, withholding, employer
4 statements and returns, employer liability for taxes required to be
5 withheld, assessment, collection, refunds, credits, offsets, interest,
6 civil and criminal penalties, secrecy, limitations periods, liens,
7 warrants, administrative review and judicial review shall apply to the
8 surcharge imposed pursuant to this article with the same force and
9 effect as if such provisions had been incorporated in full into this
10 article and had expressly referred to the surcharge, except where incon-
11 sistent with this article.

12 (c) Enforcement with other taxes. The commissioner may enforce
13 collection of the surcharge jointly with taxes imposed under article
14 twenty-two of this chapter and with any other state-administered local
15 income taxes.

16 (d) Combined filings and payments. The commissioner may require
17 combined returns, combined employer returns, combined estimated tax
18 payments, combined payment vouchers and combined electronic filings for
19 purposes of article twenty-two of this chapter and this article.

20 (e) Application of payments. Where the commissioner receives a single
21 payment or collection with respect to state personal income tax and one
22 or more state-administered local income taxes or surcharges, such
23 payment or collection shall be applied proportionately or in such other
24 manner as the commissioner shall prescribe by regulation or instruction.

25 (f) Liens and warrants. Liens, warrants, levies, income executions and
26 other collection devices available under article twenty-two of this
27 chapter shall apply to surcharge liabilities under this article with the
28 same force and effect as if the surcharge were imposed under article
29 twenty-two of this chapter.

30 (g) Future amendments. Any amendment to article twenty-two of this
31 chapter enacted after the effective date of this article shall, to the
32 extent applicable to the surcharge imposed under this article, be deemed
33 incorporated into the analogous provision or provisions of this article
34 and any local law adopted pursuant to this article, unless the legisla-
35 ture expressly provides otherwise.

36 (h) Review. All determinations, notices, assessments, refund denials
37 and other acts of the commissioner under this article shall be review-
38 able in the same manner as comparable determinations, notices, assess-
39 ments, refund denials and acts under article twenty-two of this chapter.

40 (i) County not tax administrator. Ulster county shall not audit,
41 assess, collect, compromise, refund, enforce or issue binding interpre-
42 tations regarding the surcharge, except to the extent expressly author-
43 ized by the commissioner or by state law.

44 § 1372. Local law adoption, filing, effective date and repeal. (a)
45 Required contents. A local law adopted pursuant to this article shall:

- 46 (1) state that it is adopted pursuant to this article;
- 47 (2) state that the surcharge is imposed at the fixed rate of sixteen
48 and seventy-five hundredths percent of excess state tax;
- 49 (3) specify the taxable years for which it applies;
- 50 (4) specify any sunset date or termination provision, if applicable;
- 51 (5) provide that the surcharge shall be administered, collected, and
52 enforced by the commissioner;
- 53 (6) provide that all definitions and administrative provisions of this
54 article shall apply; and
- 55 (7) specify whether revenues shall be deposited in the county general
56 fund or in another fund or account authorized by law.

1 (b) Prohibited local variations. A local law adopted pursuant to this
2 article shall not vary the definitions, fixed rate, threshold amounts,
3 tax base, treatment of estates and trusts, filing obligations, enforce-
4 ment provisions, withholding rules, remittance rules or taxpayer reme-
5 dies set forth in this article, except as expressly authorized by this
6 article.

7 (c) Filing under municipal home rule law. A local law adopted pursuant
8 to this article shall be filed in accordance with section twenty-seven
9 of the municipal home rule law. The filing requirements of this article
10 are in addition to, and not in lieu of, any filing requirements imposed
11 by the municipal home rule law.

12 (d) Additional filing with state officers. No local law or amendment
13 adopted pursuant to this article shall apply to any taxable year unless
14 a certified copy of such law or amendment is filed with: (1) the clerk
15 of the Ulster county legislature or such other officer designated by the
16 county legislature; (2) the Ulster county clerk; (3) the secretary of
17 state; (4) the state comptroller; and (5) the commissioner. Such filing
18 shall be completed not less than one hundred eighty days before the
19 first day of the taxable year to which such local law or amendment
20 applies, unless the commissioner waives or reduces such period in writ-
21 ing upon a determination that such waiver or reduction is consistent
22 with the commissioner's duties under this article.

23 (e) Effective date. A local law adopted pursuant to this article shall
24 take effect only on the first day of January of a taxable year and shall
25 apply only to taxable years beginning on or after such date.

26 (f) Amendments. Any amendment to a local law adopted pursuant to this
27 article shall take effect only on the first day of January of a taxable
28 year and shall apply only to taxable years beginning on or after such
29 date. No amendment shall change the surcharge rate, threshold amounts,
30 excess state tax base or the treatment of estates and trusts prescribed
31 by this article.

32 (g) Repeal, expiration or termination. A repeal, expiration or sunset
33 of a local law adopted pursuant to this article shall not affect liabil-
34 ities, withholding obligations, estimated tax obligations, filings,
35 audits, assessments, collections, refunds, penalties, interest, adminis-
36 trative proceedings or judicial proceedings for taxable years during
37 which the local law was in effect.

38 (h) Administrative notice. After receipt of a certified copy of a
39 local law or amendment adopted pursuant to this article, the commission-
40 er shall issue such notices, forms, instructions, withholding tables and
41 electronic filing specifications as the commissioner deems necessary.
42 Failure to issue any such notice, form, instruction, table or specifica-
43 tion by a particular date shall not invalidate the local law, but the
44 commissioner may provide reasonable transition relief from penalties or
45 additions to tax attributable to delayed administrative implementation.

46 § 1373. Deposit and disposition of revenues. (a) Deposit in trust.
47 All revenue collected by the commissioner from the surcharge imposed
48 pursuant to this article shall be deposited daily with such responsible
49 banks, banking houses or trust companies as may be designated by the
50 state comptroller, to the credit of the comptroller, in trust for Ulster
51 county.

52 (b) Separate trust funds. Such deposits shall be kept in trust and
53 separate and apart from all other moneys in the possession of the comp-
54 troller. The comptroller shall require adequate security from all depos-
55 itories of such revenue.

1 (c) Refunds and administrative costs. The comptroller shall retain in
2 the comptroller's hands such amount as the commissioner may determine to
3 be necessary for refunds, lawful credits, lawful offsets and the reason-
4 able costs of the commissioner in administering, collecting and distrib-
5 uting the surcharge.

6 (d) Payment of refunds. The comptroller shall pay refunds of the
7 surcharge to which taxpayers are entitled under this article or article
8 twenty-two of this chapter from amounts retained pursuant to subsection
9 (c) of this section.

10 (e) Offsets. Before remitting revenues to Ulster county, the comp-
11 troller shall pay or credit any overpayments, and interest on such over-
12 payments, required to be offset or credited under state law, including
13 offsets certified by the commissioner under article twenty-two of this
14 chapter or other applicable law.

15 (f) Monthly remittance. After reserving amounts required under
16 subsections (c), (d), and (e) of this section, the comptroller shall, on
17 or before the fifteenth day of each month, pay to the chief fiscal offi-
18 cer of Ulster county the balance of surcharge revenues collected and
19 available for distribution.

20 (g) Use of revenues. Revenues remitted to Ulster county pursuant to
21 this section shall be paid into the county treasury and used for county
22 purposes as provided by local law, subject to the state constitution,
23 the local finance law, the county law and any other applicable provision
24 of law.

25 (h) Reports. The commissioner and the comptroller may provide Ulster
26 county with periodic reports concerning surcharge collections, refunds,
27 administrative costs and distributions, provided that no report shall
28 disclose confidential taxpayer information except as authorized by law.

29 § 1374. Regulations, forms and guidance. (a) Commissioner authority.
30 The commissioner may promulgate regulations and issue forms,
31 instructions, notices, publications, withholding tables, electronic
32 filing specifications and other guidance necessary to administer this
33 article.

34 (b) Uniform administration. In administering this article, the commis-
35 sioner may conform procedures and forms to those used for article twen-
36 ty-two of this chapter and other state-administered local income taxes,
37 to the extent practicable.

38 (c) Residence certificates. The commissioner may prescribe certif-
39 icates of county residence and nonresidence for employees, withholding
40 agents, fiduciaries and other persons as necessary to administer with-
41 holding and filing obligations under this article.

42 (d) Transitional rules. The commissioner may prescribe transitional
43 rules for the first taxable year in which a local law adopted pursuant
44 to this article is effective, including rules for withholding, estimated
45 tax, employer implementation, electronic filing, amended returns and
46 penalty relief.

47 § 1375. Severability. If any clause, sentence, paragraph, subsection,
48 section or part of this article, or the application thereof to any
49 person, taxpayer, employer, fiduciary, entity or circumstance, shall be
50 adjudged by any court of competent jurisdiction to be invalid, such
51 judgment shall not affect, impair or invalidate the remainder of this
52 article or its application to other persons or circumstances, but shall
53 be confined in its operation to the clause, sentence, paragraph,
54 subsection, section or part directly involved in the controversy in
55 which such judgment shall have been rendered.

1 § 1376. Duration of authority. The authority granted by this article
2 shall continue until repealed by act of the legislature. Any local law
3 adopted pursuant to this article may include a sunset date or termi-
4 nation provision, and Ulster county may repeal or amend such local law
5 in accordance with this article.

6 § 2. This act shall take effect immediately; provided, however, that
7 no surcharge shall be imposed pursuant to article thirty-C of the tax
8 law unless and until Ulster county has adopted a local law satisfying
9 the requirements of such article.