STATE OF NEW YORK

4823

2025-2026 Regular Sessions

IN ASSEMBLY

February 6, 2025

Introduced by M. of A. MANKTELOW, HAWLEY, McDONOUGH, MILLER, SMULLEN, BRABENEC, DeSTEFANO -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to exempting certain motor vehicles, parts and services therefor and railroad rolling stock, parts and services therefor from the sales and use tax imposed by the state

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

Section 1. Paragraph 3 of subdivision (c) of section 1105 of the tax law is amended by adding two new subparagraphs (xii) and (xiii) to read as follows:

(xii) such services rendered with respect to the maintenance and repair of railroad and rolling stock, parts thereof and the structural components of the railroad as defined in paragraph forty-eight of subdivision (a) of section eleven hundred fifteen of this article.

(xiii) such services rendered with respect to the maintenance and repair of motor vehicles and the parts thereof as defined in paragraph forty-seven of subdivision (a) of section eleven hundred fifteen of this article.

§ 2. Clause 1 of subdivision (b) of section 1107 of the tax law, as amended by chapter 472 of the laws of 2000, is amended to read as follows:

(1) The exemptions provided for in **paragraphs forty-seven and forty-eight of subdivision (a) and** subdivision (c) of section eleven hundred fifteen **of this article and the exceptions provided for in subparagraphs (xii) and (xiii) of paragraph three of subdivision (c) of section eleven hundred five of this part** shall not apply to fuel, gas, electricity, refrigeration and steam, and gas, electric, refrigeration and steam service of whatever nature for use or consumption directly and exclusively in the production of gas, electricity, refrigeration or steam.

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

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§ 3. Subdivision (b) of section 1108 of the tax law is amended by adding a new paragraph 6 to read as follows:

(6) The exemptions provided for in paragraphs forty-seven and forty-eight of subdivision (a) of section eleven hundred fifteen of this article and the exceptions provided for in subparagraphs (xii) and (xiii) of paragraph three of subdivision (c) of section eleven hundred five of this part shall not apply.

§ 4. Subdivision (a) of section 1109 of the tax law, as amended by section 3 of part J of chapter 59 of the laws of 2021, is amended to read as follows:

(a) General. In addition to the taxes imposed by sections eleven hundred five and eleven hundred ten of this [~~article~~] **part**, there is hereby imposed within the territorial limits of the metropolitan commuter transportation district created and established pursuant to section twelve hundred sixty-two of the public authorities law, and there shall be paid, additional taxes, at the rate of three-eighths of one percent, which shall be identical to the taxes imposed by sections eleven hundred five and eleven hundred ten of this [~~article~~] **part, except that with respect to the tax imposed by this section the exemptions provided for in paragraphs forty-seven and forty-eight of subdivision (a) of section eleven hundred fifteen of this article and the exceptions provided for in subparagraphs (xii) and (xiii) of paragraph three of subdivision (c) of section eleven hundred five of this part shall not apply**. Such sections **eleven hundred five and eleven hundred ten** and the other sections of this article, including the definition and **the other** exemption provisions, shall apply for purposes of the taxes imposed by this section in the same manner and with the same force and effect as if the language of those sections had been incorporated in full into this section and had expressly referred to the taxes imposed by this section. Notwithstanding the foregoing, the tax imposed by this section shall not apply to admissions to race tracks or simulcast facilities.

§ 5. Subdivision (a) of section 1115 of the tax law is amended by adding two new paragraphs 47 and 48 to read as follows:

(47) Motor vehicles as defined in subdivision two of section five hundred one of this chapter whether purchased or leased and parts thereof and the services rendered with respect to the maintenance of such motor vehicles and parts.

(48) Railroad rolling stock whether purchased or leased by a railroad which is engaged in intrastate or interstate commerce, parts thereof, structural components relating to the right of way of the railroad, services rendered with respect to the maintenance of such vehicles, parts and structural components. The term "structural components" shall include but is not limited to rail, bridges, crossing arms and traffic signals.

§ 6. The opening paragraph of 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:

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, **except the exemptions provided for in paragraphs forty-seven and forty-eight of subdivision (a) of section eleven hundred fifteen of this chapter and the exceptions provided for in subparagraphs (xii) and (xiii) of para-**

graph three of subdivision (c) of section eleven hundred five of this chapter shall not apply so far as the provisions of such article twenty-eight can be made applicable to the taxes imposed by such city or county and with such limitations and special provisions as are set forth in this article. The taxes authorized under this subdivision may not be imposed by a city or county unless the local law, ordinance or resolution imposes such taxes so as to include all portions and all types of receipts, charges or rents, subject to state tax under sections eleven hundred five and eleven hundred ten of this chapter, except as otherwise provided. Notwithstanding the foregoing, a tax imposed by a city or county authorized under this subdivision shall not include the tax imposed on charges for admission to race tracks and simulcast facilities under subdivision (f) of section eleven hundred five of this chapter.

§ 7. This act shall take effect December 1, 2025; provided, however, that the exemptions and exceptions provided for in sections one through six of this act shall apply to retail sales or uses occurring on and after January 1, 2026.