

STATE OF NEW YORK

7789

2025-2026 Regular Sessions

IN ASSEMBLY

April 10, 2025

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

AN ACT to amend the tax law, in relation to the sale of cigarette tax stamps

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

1 Section 1. Subdivision 1 of section 472 of the tax law, as amended by
2 chapter 629 of the laws of 1996, and as further amended by section 104
3 of part A of chapter 62 of the laws of 2011, is amended to read as
4 follows:
5 1. The commissioner shall prescribe, prepare and furnish stamps of
6 such denominations and quantities as may be necessary for the payment of
7 the tax on cigarettes imposed by this article, and may from time to time
8 and as often as [~~he deems~~ **deemed**] advisable provide for the issuance and
9 exclusive use of stamps of a new design and forbid the use of stamps of
10 any other design, in the manner and with the effect provided in section
11 two hundred seventy-four of this chapter. The commissioner shall make
12 provisions for the sale of such stamps at such places and at such times
13 as [~~he may deem~~ **deemed**] necessary and may license agents for such
14 purpose. The commissioner may license dealers in cigarettes, who main-
15 tain separate warehousing facilities for the purpose of receiving and
16 distributing cigarettes and conducting their business, who have received
17 commitments from at least two cigarette manufacturers whose aggregate
18 market share is at least forty percent of the New York state cigarette
19 market, and importers, exporters and manufacturers of cigarettes, and
20 other persons within or without the state as agents to buy or affix
21 stamps to be used in paying the tax herein imposed, but an agent shall
22 at all times have the right to appoint the person in [~~his~~ **their**] employ
23 who is to affix the stamps to any cigarettes under the agent's control.
24 The fee for filing such application for an agent's license shall be one
25 thousand five hundred dollars, unless such fee has been paid during the

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

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1 preceding twelve months, in which case, the fee for a new license shall
2 be one thousand dollars. All of the provisions of section four hundred
3 eighty relating to wholesale dealers' licenses, including the procedure
4 for suspension, revocation, refusal to license and for hearings, except
5 for paragraphs (c) and (g) of subdivision one of such section, shall be
6 applicable to agents' licenses applied for or granted pursuant to this
7 section, as if such provisions had been set forth in full in this subdivi-
8 sion and had expressly referred to the applicant for, or the holder
9 of, an agent's license. Whenever the commissioner shall sell and deliver
10 to any such agent any such stamps, such agent shall be entitled to
11 receive as compensation for [~~his~~] their services and expenses as such
12 agent in selling or affixing such stamps, and to retain out of the
13 moneys to be paid by [~~him~~] such agent for such stamps, a commission on
14 the par value thereof. The commissioner is hereby authorized to
15 prescribe a schedule of commissions, not exceeding five per centum,
16 allowable to such agent for buying and affixing such stamps. Such sched-
17 ule shall be uniform with respect to the different types of stamps used,
18 and may be on a graduated scale with respect to the number of stamps
19 purchased. The commissioner may, in [~~his~~] their discretion, permit an
20 agent to pay for such stamps within [~~thirty~~] forty-five days after the
21 date of purchase and may require any such agent to file with the depart-
22 ment of taxation and finance a bond issued by a surety company approved
23 by the superintendent of financial services as to solvency and responsi-
24 bility and authorized to transact business in the state or other securi-
25 ty acceptable to the commissioner, in such amount as the commissioner
26 may fix, to secure the payment of any sums due from such agent pursuant
27 to this article. If securities are deposited as security under this
28 subdivision, such securities shall be kept in the custody of the commis-
29 sioner and may be sold by the commissioner if it becomes necessary so to
30 do in order to recover any sums due from such agent pursuant to this
31 article, but no such sale shall be had until after such agent shall have
32 had opportunity to litigate the validity of any tax if it elects so to
33 do. Upon any such sale, the surplus, if any, above the sums due under
34 this article shall be returned to such agent.

35 § 2. This act shall take effect on the sixtieth day after it shall
36 have become a law.