

STATE OF NEW YORK

3228

2025-2026 Regular Sessions

IN SENATE

January 24, 2025

Introduced by Sen. ORTT -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to eliminating state sales and compensating use taxes on motor fuels and diesel motor fuels and authorizing localities to eliminate such taxes at the local level; and providing for the repeal of such provisions upon expiration thereof (Part A); to amend the tax law, in relation to exemptions from sales and use taxes; and providing for the repeal of such provisions upon expiration thereof (Part B); to amend the tax law, in relation to providing a sales tax exemption for housekeeping supplies; and providing for the repeal of such provisions upon expiration thereof (Part C); and to amend the tax law, in relation to providing a sales tax exemption for ready-to-eat foods; and providing for the repeal of such provisions upon expiration thereof (Part D)

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 components of legislation relating
2 to establishing various exemptions from New York's sales and compensat-
3 ing use tax. Each component is wholly contained within a Part identi-
4 fied as Parts A through D. 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, includ-
7 ing the effective date of the Part, which makes a reference to a section
8 "of this act", when used in connection with that particular component,
9 shall be deemed to mean and refer to the corresponding section of the
10 Part in which it is found. Section three of this act sets forth the
11 general effective date of this act.

12 PART A

13 Section 1. Subdivision (a) of section 1115 of the tax law is amended
14 by adding a new paragraph 47 to read as follows:

15 (47) Motor fuel and diesel motor fuel.

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

LBD07042-01-5

1 § 2. Subdivision (b) of section 1107 of the tax law is amended by
2 adding a new clause 12 to read as follows:

3 (12) Except as otherwise provided by law, the exemption provided in
4 paragraph forty-seven of subdivision (a) of section eleven hundred
5 fifteen of this article relating to motor fuel and diesel motor fuel
6 shall be applicable pursuant to a local law, ordinance or resolution
7 adopted by a city subject to the provisions of this section. Such city
8 is empowered to adopt or repeal such a local law, ordinance or resol-
9 ution. Such adoption or repeal shall also be deemed to amend any local
10 law, ordinance or resolution enacted by such a city imposing taxes
11 pursuant to the authority of subdivision (a) of section twelve hundred
12 ten of this chapter.

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

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

1 provided for in paragraph thirty of subdivision (a) of section eleven
2 hundred fifteen of this chapter, unless such city, county or school
3 district elects otherwise as to such residential solar energy systems
4 equipment and electricity exemption, such commercial solar energy
5 systems equipment and electricity exemption, commercial fuel cell elec-
6 tricity generating systems equipment and electricity generated by such
7 equipment exemption or such clothing and footwear exemption. (iii) Any
8 local law, ordinance or resolution enacted by any city, county or school
9 district, imposing the taxes authorized by this subdivision, shall omit
10 the motor fuel and diesel motor fuel exemption provided for in paragraph
11 forty-seven of subdivision (a) of section eleven hundred fifteen of this
12 chapter, unless such city, county or school district elects otherwise;
13 provided that if such a city having a population of one million or more
14 enacts the resolution described in subdivision (q) of this section or
15 repeals such resolution, such resolution or repeal shall also be deemed
16 to amend any local law, ordinance or resolution enacted by such a city
17 imposing such taxes pursuant to the authority of this subdivision,
18 whether or not such taxes are suspended at the time such city enacts its
19 resolution pursuant to subdivision (q) of this section or at the time of
20 any such repeal; provided, further, that any such local law, ordinance
21 or resolution and section eleven hundred seven of this chapter, as
22 deemed to be amended in the event a city of one million or more enacts a
23 resolution pursuant to the authority of subdivision (q) of this section,
24 shall be further amended, as provided in section twelve hundred eighteen
25 of this subpart, so that the motor fuel and diesel motor fuel exemption
26 in any such local law, ordinance or resolution or in such section eleven
27 hundred seven of this chapter is the same as the motor fuel and diesel
28 motor fuel exemption in paragraph forty-seven of subdivision (a) of
29 section eleven hundred fifteen of this chapter.

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

33 (d) A local law, ordinance or resolution imposing any tax pursuant to
34 this section, increasing or decreasing the rate of such tax, repealing
35 or suspending such tax, exempting from such tax the energy sources and
36 services described in paragraph three of subdivision (a) or of subdivi-
37 sion (b) of this section or changing the rate of tax imposed on such
38 energy sources and services or providing for the credit or refund
39 described in clause six of subdivision (a) of section eleven hundred
40 nineteen of this chapter, or electing or repealing the exemption for
41 residential solar equipment and electricity in subdivision (ee) of
42 section eleven hundred fifteen of this article, or the exemption for
43 commercial solar equipment and electricity in subdivision (ii) of
44 section eleven hundred fifteen of this article, or electing or repealing
45 the exemption for commercial fuel cell electricity generating systems
46 equipment and electricity generated by such equipment in subdivision
47 (kk) of section eleven hundred fifteen of this article must go into
48 effect only on one of the following dates: March first, June first,
49 September first or December first; provided, that a local law, ordinance
50 or resolution providing for the exemption described in paragraph thirty
51 of subdivision (a) of section eleven hundred fifteen of this chapter or
52 repealing any such exemption or a local law, ordinance or resolution
53 providing for a refund or credit described in subdivision (d) of section
54 eleven hundred nineteen of this chapter or repealing such provision so
55 provided must go into effect only on March first; provided, further,
56 that a local law, ordinance or resolution providing for the exemption

1 described in paragraph forty-seven of subdivision (a) of section eleven
2 hundred fifteen of this chapter or repealing any such exemption so
3 provided and a resolution enacted pursuant to the authority of subdivi-
4 sion (q) of this section providing such exemption or repealing such
5 exemption so provided may go into effect immediately. No such local law,
6 ordinance or resolution shall be effective unless a certified copy of
7 such law, ordinance or resolution is mailed by registered or certified
8 mail to the commissioner at the commissioner's office in Albany at least
9 ninety days prior to the date it is to become effective. However, the
10 commissioner may waive and reduce such ninety-day minimum notice
11 requirement to a mailing of such certified copy by registered or certi-
12 fied mail within a period of not less than thirty days prior to such
13 effective date if the commissioner deems such action to be consistent
14 with the commissioner's duties under section twelve hundred fifty of
15 this article and the commissioner acts by resolution. Where the
16 restriction provided for in section twelve hundred twenty-three of this
17 article as to the effective date of a tax and the notice requirement
18 provided for therein are applicable and have not been waived, the
19 restriction and notice requirement in section twelve hundred twenty-
20 three of this article shall also apply.

21 § 5. Section 1210 of the tax law is amended by adding a new subdivi-
22 sion (q) to read as follows:

23 (q) Notwithstanding any other provision of state or local law, ordi-
24 nance or resolution to the contrary:

25 (1) Any city having a population of one million or more in which the
26 taxes imposed by section eleven hundred seven of this chapter are in
27 effect, acting through its local legislative body, is hereby authorized
28 and empowered to elect to provide the exemption from such taxes for the
29 same motor fuel and diesel motor fuel exempt from state sales and
30 compensating use taxes described in paragraph forty-seven of subdivision
31 (a) of section eleven hundred fifteen of this chapter by enacting a
32 resolution in the form set forth in paragraph two of this subdivision;
33 whereupon, upon compliance with the provisions of subdivisions (d) and
34 (e) of this section, such enactment of such resolution shall be deemed
35 to be an amendment to such section eleven hundred seven and such section
36 eleven hundred seven shall be deemed to incorporate such exemption as if
37 it had been duly enacted by the state legislature and approved by the
38 governor.

39 (2) Form of Resolution: Be it enacted by the (insert proper title of
40 local legislative body) as follows:

41 Section one. Receipts from sales of and consideration given or
42 contracted to be given for purchases of motor fuel and diesel motor fuel
43 exempt from state sales and compensating use taxes pursuant to paragraph
44 forty-seven of subdivision (a) of section eleven hundred fifteen of the
45 tax law shall also be exempt from sales and compensating use taxes
46 imposed in this jurisdiction.

47 Section two. This resolution shall take effect, (insert the date) and
48 shall apply to sales made and uses occurring on and after that date
49 although made or occurring under a prior contract.

50 § 6. The commissioner of taxation and finance is hereby authorized to
51 implement the provisions of this act with respect to the elimination of
52 the imposition of sales tax, additional taxes, and supplemental taxes on
53 diesel motor fuel and motor fuel and all other taxes so addressed by
54 this act.

55 § 7. This act shall take effect on the first day of the sales tax
56 quarterly period, as described in subdivision (b) of section 1136 of the

1 tax law, next commencing at least 90 days after this act shall have
2 become a law and shall apply in accordance with the applicable transi-
3 tional provisions of sections 1106 and 1217 of the tax law and shall
4 expire and be deemed repealed two years after such date.

5 PART B

6 Section 1. Paragraph 3 of subdivision (a) of section 1115 of the tax
7 law, as amended by chapter 201 of the laws of 1976, is amended to read
8 as follows:

9 (3) Drugs and medicines intended for use, internally or externally, in
10 the cure, mitigation, treatment or prevention of illnesses or diseases
11 in human beings, medical equipment (including component parts thereof)
12 and supplies required for such use or to correct or alleviate physical
13 incapacity, and products consumed by humans for the preservation of
14 health but not including cosmetics [~~or toilet articles~~] notwithstanding
15 the presence of medicinal ingredients therein or medical equipment
16 (including component parts thereof) and supplies, other than such drugs
17 and medicines, purchased at retail for use in performing medical and
18 similar services for compensation.

19 § 2. Subdivision (a) of section 1115 of the tax law is amended by
20 adding a new paragraph 48 to read as follows:

21 (48) Personal care products as determined by the commissioner.

22 § 3. Subdivision (b) of section 1107 of the tax law is amended by
23 adding a new clause 13 to read as follows:

24 (13) Except as otherwise provided by law, the exemption provided in
25 paragraph forty-eight of subdivision (a) of section eleven hundred
26 fifteen of this article relating to personal care products shall be
27 applicable pursuant to a local law, ordinance or resolution adopted by a
28 city subject to the provisions of this section. Such city is empowered
29 to adopt or repeal such a local law, ordinance or resolution. Such
30 adoption or repeal shall also be deemed to amend any local law, ordi-
31 nance or resolution enacted by such a city imposing taxes pursuant to
32 the authority of subdivision (a) of section twelve hundred ten of this
33 chapter.

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

37 (1) Either, all of the taxes described in article twenty-eight of this
38 chapter, at the same uniform rate, as to which taxes all provisions of
39 the local laws, ordinances or resolutions imposing such taxes shall be
40 identical, except as to rate and except as otherwise provided, with the
41 corresponding provisions in such article twenty-eight, including the
42 definition and exemption provisions of such article, so far as the
43 provisions of such article twenty-eight can be made applicable to the
44 taxes imposed by such city or county and with such limitations and
45 special provisions as are set forth in this article. The taxes author-
46 ized under this subdivision may not be imposed by a city or county
47 unless the local law, ordinance or resolution imposes such taxes so as
48 to include all portions and all types of receipts, charges or rents,
49 subject to state tax under sections eleven hundred five and eleven
50 hundred ten of this chapter, except as otherwise provided. Notwith-
51 standing the foregoing, a tax imposed by a city or county authorized
52 under this subdivision shall not include the tax imposed on charges for
53 admission to race tracks and simulcast facilities under subdivision (f)
54 of section eleven hundred five of this chapter. (i) Any local law, ordi-

1 nance or resolution enacted by any city of less than one million or by
2 any county or school district, imposing the taxes authorized by this
3 subdivision, shall, notwithstanding any provision of law to the contrary,
4 exclude from the operation of such local taxes all sales of tangible
5 personal property for use or consumption directly and predominantly in
6 the production of tangible personal property, gas, electricity, refrigeration
7 or steam, for sale, by manufacturing, processing, generating, assembly,
8 refining, mining or extracting; and all sales of tangible personal property
9 for use or consumption predominantly either in the
10 production of tangible personal property, for sale, by farming or in a
11 commercial horse boarding operation, or in both; and all sales of fuel
12 sold for use in commercial aircraft and general aviation aircraft; and,
13 unless such city, county or school district elects otherwise, shall omit
14 the provision for credit or refund contained in clause six of subdivision
15 (a) or subdivision (d) of section eleven hundred nineteen of this
16 chapter. (ii) Any local law, ordinance or resolution enacted by any
17 city, county or school district, imposing the taxes authorized by this
18 subdivision, shall omit the residential solar energy systems equipment
19 and electricity exemption provided for in subdivision (ee), the commercial
20 solar energy systems equipment and electricity exemption provided
21 for in subdivision (ii), the commercial fuel cell electricity generating
22 systems equipment and electricity generated by such equipment exemption
23 provided for in subdivision (kk) and the clothing and footwear exemption
24 provided for in paragraph thirty of subdivision (a) of section eleven
25 hundred fifteen of this chapter, unless such city, county or school
26 district elects otherwise as to such residential solar energy systems
27 equipment and electricity exemption, such commercial solar energy
28 systems equipment and electricity exemption, commercial fuel cell electricity
29 generating systems equipment and electricity generated by such
30 equipment exemption or such clothing and footwear exemption. (iii) Any
31 local law, ordinance or resolution enacted by any city, county or school
32 district, imposing the taxes authorized by this subdivision, shall omit
33 the personal care products exemption provided for in paragraph forty-
34 eight of subdivision (a) of section eleven hundred fifteen of this chapter,
35 unless such city, county or school district elects otherwise;
36 provided that if such a city having a population of one million or more
37 enacts the resolution described in subdivision (r) of this section or
38 repeals such resolution, such resolution or repeal shall also be deemed
39 to amend any local law, ordinance or resolution enacted by such a city
40 imposing such taxes pursuant to the authority of this subdivision,
41 whether or not such taxes are suspended at the time such city enacts its
42 resolution pursuant to subdivision (r) of this section or at the time of
43 such repeal; provided, further, that any such local law, ordinance or
44 resolution and section eleven hundred seven of this chapter, as deemed
45 to be amended in the event a city of one million or more enacts a resolution
46 pursuant to the authority of subdivision (r) of this section,
47 shall be further amended, as provided in section twelve hundred eighteen
48 of this subpart, so that the personal care products exemption in any
49 such local law, ordinance or resolution or in such section eleven
50 hundred seven of this chapter is the same as the personal care products
51 exemption in paragraph forty-eight of subdivision (a) of section eleven
52 hundred fifteen of this chapter.

53 § 5. Subdivision (d) of section 1210 of the tax law, as amended by
54 section 4 of part WW of chapter 60 of the laws of 2016, is amended to
55 read as follows:

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

45 § 6. Section 1210 of the tax law is amended by adding a new subdivi-
46 sion (r) to read as follows:

47 (r) Notwithstanding any other provision of state or local law, ordi-
48 nance or resolution to the contrary: (1) Any city having a population of
49 one million or more in which the taxes imposed by section eleven hundred
50 seven of this chapter are in effect, acting through its local legisla-
51 tive body, is hereby authorized and empowered to elect to provide the
52 exemption from such taxes for the same personal care products exempt
53 from state sales and compensating use taxes described in paragraph
54 forty-eight of subdivision (a) of section eleven hundred fifteen of this
55 chapter by enacting a resolution in the form set forth in paragraph two
56 of this subdivision; whereupon, upon compliance with the provisions of

1 subdivisions (d) and (e) of this section, such enactment of such resol-
2 ution shall be deemed to be an amendment to such section eleven hundred
3 seven and such section eleven hundred seven shall be deemed to incorpo-
4 rate such exemption as if it had been duly enacted by the state legisla-
5 ture and approved by the governor.

6 (2) Form of resolution: Be it enacted by the (insert proper title of
7 local legislative body) as follows:

8 Section one. Receipts from sales of and consideration given or
9 contracted to be given for purchases of personal care products exempt
10 from state sales and compensating use taxes pursuant to paragraph
11 forty-eight of subdivision (a) of section eleven hundred fifteen of the
12 tax law shall also be exempt from sales and compensating use taxes
13 imposed in this jurisdiction.

14 Section two. This resolution shall take effect, (insert the date) and
15 shall apply to sales made and uses occurring on and after that date
16 although made or occurring under a prior contract.

17 § 7. The commissioner of taxation and finance is hereby authorized to
18 implement the provisions of this act with respect to the elimination of
19 the imposition of sales tax, additional taxes, and supplemental taxes on
20 personal care products and all other taxes so addressed by this act.

21 § 8. This act shall take effect on the first day of the sales tax
22 quarterly period, as described in subdivision (b) of section 1136 of the
23 tax law, beginning at least 90 days after the date this act shall have
24 become a law and shall apply in accordance with the applicable transi-
25 tional provisions of sections 1106 and 1217 of the tax law and shall
26 expire and be deemed repealed two years after such date.

27 PART C

28 Section 1. Subdivision (a) of section 1115 of the tax law is amended
29 by adding a new paragraph 49 to read as follows:

30 (49) Housekeeping supplies as determined by the commissioner.

31 § 2. Subdivision (b) of section 1107 of the tax law is amended by
32 adding a new clause 14 to read as follows:

33 (14) Except as otherwise provided by law, the exemption provided in
34 paragraph forty-nine of subdivision (a) of section eleven hundred
35 fifteen of this article relating to housekeeping supplies shall be
36 applicable pursuant to a local law, ordinance or resolution adopted by a
37 city subject to the provisions of this section. Such city is empowered
38 to adopt or repeal such a local law, ordinance or resolution. Such
39 adoption or repeal shall also be deemed to amend any local law, ordi-
40 nance or resolution enacted by such a city imposing taxes pursuant to
41 the authority of subdivision (a) of section twelve hundred ten of this
42 chapter.

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

46 (1) Either, all of the taxes described in article twenty-eight of this
47 chapter, at the same uniform rate, as to which taxes all provisions of
48 the local laws, ordinances or resolutions imposing such taxes shall be
49 identical, except as to rate and except as otherwise provided, with the
50 corresponding provisions in such article twenty-eight, including the
51 definition and exemption provisions of such article, so far as the
52 provisions of such article twenty-eight can be made applicable to the
53 taxes imposed by such city or county and with such limitations and
54 special provisions as are set forth in this article. The taxes author-

1 ized under this subdivision may not be imposed by a city or county
2 unless the local law, ordinance or resolution imposes such taxes so as
3 to include all portions and all types of receipts, charges or rents,
4 subject to state tax under sections eleven hundred five and eleven
5 hundred ten of this chapter, except as otherwise provided. Notwith-
6 standing the foregoing, a tax imposed by a city or county authorized
7 under this subdivision shall not include the tax imposed on charges for
8 admission to race tracks and simulcast facilities under subdivision (f)
9 of section eleven hundred five of this chapter. (i) Any local law, ordi-
10 nance or resolution enacted by any city of less than one million or by
11 any county or school district, imposing the taxes authorized by this
12 subdivision, shall, notwithstanding any provision of law to the contra-
13 ry, exclude from the operation of such local taxes all sales of tangible
14 personal property for use or consumption directly and predominantly in
15 the production of tangible personal property, gas, electricity, refrig-
16 eration or steam, for sale, by manufacturing, processing, generating,
17 assembly, refining, mining or extracting; and all sales of tangible
18 personal property for use or consumption predominantly either in the
19 production of tangible personal property, for sale, by farming or in a
20 commercial horse boarding operation, or in both; and all sales of fuel
21 sold for use in commercial aircraft and general aviation aircraft; and,
22 unless such city, county or school district elects otherwise, shall omit
23 the provision for credit or refund contained in clause six of subdivi-
24 sion (a) or subdivision (d) of section eleven hundred nineteen of this
25 chapter. (ii) Any local law, ordinance or resolution enacted by any
26 city, county or school district, imposing the taxes authorized by this
27 subdivision, shall omit the residential solar energy systems equipment
28 and electricity exemption provided for in subdivision (ee), the commer-
29 cial solar energy systems equipment and electricity exemption provided
30 for in subdivision (ii), the commercial fuel cell electricity generating
31 systems equipment and electricity generated by such equipment exemption
32 provided for in subdivision (kk) and the clothing and footwear exemption
33 provided for in paragraph thirty of subdivision (a) of section eleven
34 hundred fifteen of this chapter, unless such city, county or school
35 district elects otherwise as to such residential solar energy systems
36 equipment and electricity exemption, such commercial solar energy
37 systems equipment and electricity exemption, commercial fuel cell elec-
38 tricity generating systems equipment and electricity generated by such
39 equipment exemption or such clothing and footwear exemption. (iii) Any
40 local law, ordinance or resolution enacted by any city, county or school
41 district, imposing the taxes authorized by this subdivision, shall omit
42 the housekeeping supplies exemption provided for in paragraph forty-nine
43 of subdivision (a) of section eleven hundred fifteen of this chapter,
44 unless such city, county or school district elects otherwise; provided
45 that if such a city having a population of one million or more enacts
46 the resolution described in subdivision (s) of this section or repeals
47 such resolution, such resolution or repeal shall also be deemed to amend
48 any local law, ordinance or resolution enacted by such a city imposing
49 such taxes pursuant to the authority of this subdivision, whether or not
50 such taxes are suspended at the time such city enacts its resolution
51 pursuant to subdivision (s) of this section or at the time of such
52 repeal; provided, further, that any such local law, ordinance or resol-
53 ution and section eleven hundred seven of this chapter, as deemed to be
54 amended in the event a city of one million or more enacts a resolution
55 pursuant to the authority of subdivision (s) of this section, shall be
56 further amended, as provided in section twelve hundred eighteen of this

1 subpart, so that the housekeeping supplies exemption in any such local
2 law, ordinance or resolution or in such section eleven hundred seven of
3 this chapter is the same as the housekeeping supplies exemption in para-
4 graph forty-nine of subdivision (a) of section eleven hundred fifteen of
5 this chapter.

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

9 (d) A local law, ordinance or resolution imposing any tax pursuant to
10 this section, increasing or decreasing the rate of such tax, repealing
11 or suspending such tax, exempting from such tax the energy sources and
12 services described in paragraph three of subdivision (a) or of subdivi-
13 sion (b) of this section or changing the rate of tax imposed on such
14 energy sources and services or providing for the credit or refund
15 described in clause six of subdivision (a) of section eleven hundred
16 nineteen of this chapter, or electing or repealing the exemption for
17 residential solar equipment and electricity in subdivision (ee) of
18 section eleven hundred fifteen of this article, or the exemption for
19 commercial solar equipment and electricity in subdivision (ii) of
20 section eleven hundred fifteen of this article, or electing or repealing
21 the exemption for commercial fuel cell electricity generating systems
22 equipment and electricity generated by such equipment in subdivision
23 (kk) of section eleven hundred fifteen of this article must go into
24 effect only on one of the following dates: March first, June first,
25 September first or December first; provided, that a local law, ordinance
26 or resolution providing for the exemption described in paragraph thirty
27 of subdivision (a) of section eleven hundred fifteen of this chapter or
28 repealing any such exemption or a local law, ordinance or resolution
29 providing for a refund or credit described in subdivision (d) of section
30 eleven hundred nineteen of this chapter or repealing such provision so
31 provided must go into effect only on March first; provided, further,
32 that a local law, ordinance or resolution providing for the exemption
33 described in paragraph forty-nine of subdivision (a) of section eleven
34 hundred fifteen of this chapter or repealing any such exemption so
35 provided and a resolution enacted pursuant to the authority of subdivi-
36 sion (s) of this section providing such exemption or repealing such
37 exemption so provided may go into effect immediately. No such local law,
38 ordinance or resolution shall be effective unless a certified copy of
39 such law, ordinance or resolution is mailed by registered or certified
40 mail to the commissioner at the commissioner's office in Albany at least
41 ninety days prior to the date it is to become effective. However, the
42 commissioner may waive and reduce such ninety-day minimum notice
43 requirement to a mailing of such certified copy by registered or certi-
44 fied mail within a period of not less than thirty days prior to such
45 effective date if the commissioner deems such action to be consistent
46 with the commissioner's duties under section twelve hundred fifty of
47 this article and the commissioner acts by resolution. Where the
48 restriction provided for in section twelve hundred twenty-three of this
49 article as to the effective date of a tax and the notice requirement
50 provided for therein are applicable and have not been waived, the
51 restriction and notice requirement in section twelve hundred twenty-
52 three of this article shall also apply.

53 § 5. Section 1210 of the tax law is amended by adding a new subdivi-
54 sion (s) to read as follows:

55 (s) Notwithstanding any other provision of state or local law, ordi-
56 nance or resolution to the contrary: (1) Any city having a population of

1 one million or more in which the taxes imposed by section eleven hundred
2 seven of this chapter are in effect, acting through its local legisla-
3 tive body, is hereby authorized and empowered to elect to provide the
4 exemption from such taxes for the same housekeeping supplies exempt from
5 state sales and compensating use taxes described in paragraph forty-nine
6 of subdivision (a) of section eleven hundred fifteen of this chapter by
7 enacting a resolution in the form set forth in paragraph two of this
8 subdivision; whereupon, upon compliance with the provisions of subdivi-
9 sions (d) and (e) of this section, such enactment of such resolution
10 shall be deemed to be an amendment to such section eleven hundred seven
11 and such section eleven hundred seven shall be deemed to incorporate
12 such exemption as if it had been duly enacted by the state legislature
13 and approved by the governor.

14 (2) Form of resolution: Be it enacted by the (insert proper title of
15 local legislative body) as follows:

16 Section one. Receipts from sales of and consideration given or
17 contracted to be given for purchases of housekeeping supplies exempt
18 from state sales and compensating use taxes pursuant to paragraph
19 forty-nine of subdivision (a) of section eleven hundred fifteen of the
20 tax law shall also be exempt from sales and compensating use taxes
21 imposed in this jurisdiction.

22 Section two. This resolution shall take effect, (insert the date) and
23 shall apply to sales made and uses occurring on and after that date
24 although made or occurring under a prior contract.

25 § 6. The commissioner of taxation and finance is hereby authorized to
26 implement the provisions of this act with respect to the elimination of
27 the imposition of sales tax, additional taxes, and supplemental taxes on
28 housekeeping supplies and all other taxes so addressed by this act.

29 § 7. This act shall take effect on the first day of the sales tax
30 quarterly period, as described in subdivision (b) of section 1136 of the
31 tax law, beginning at least 90 days after the date this act shall have
32 become a law and shall apply in accordance with the applicable transi-
33 tional provisions of sections 1106 and 1217 of the tax law and shall
34 expire and be deemed repealed two years after such date.

35 PART D

36 Section 1. Subdivision (a) of section 1115 of the tax law is amended
37 by adding a new paragraph (1-a) to read as follows:

38 (1-a) Food which is sold heated or prepared, including food sold at
39 grocery stores, restaurants, diners, taverns, food trucks, and food
40 courts at a mall and food that is catered.

41 § 2. Subdivision (b) of section 1107 of the tax law is amended by
42 adding a new clause 15 to read as follows:

43 (15) Except as otherwise provided by law, the exemption provided in
44 paragraph one-a of subdivision (a) of section eleven hundred fifteen of
45 this article relating to heated or prepared foods shall be applicable
46 pursuant to a local law, ordinance or resolution adopted by a city
47 subject to the provisions of this section. Such city is empowered to
48 adopt or repeal such a local law, ordinance or resolution. Such adoption
49 or repeal shall also be deemed to amend any local law, ordinance or
50 resolution enacted by such a city imposing taxes pursuant to the author-
51 ity of subdivision (a) of section twelve hundred ten of this chapter.

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

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

1 any local law, ordinance or resolution enacted by such a city imposing
2 such taxes pursuant to the authority of this subdivision, whether or not
3 such taxes are suspended at the time such city enacts its resolution
4 pursuant to subdivision (t) of this section or at the time of such
5 repeal; provided, further, that any such local law, ordinance or resol-
6 ution and section eleven hundred seven of this chapter, as deemed to be
7 amended in the event a city of one million or more enacts a resolution
8 pursuant to the authority of subdivision (t) of this section, shall be
9 further amended, as provided in section twelve hundred eighteen of this
10 subpart, so that the hot or prepared food items exemption in any such
11 local law, ordinance or resolution or in such section eleven hundred
12 seven of this chapter is the same as the hot or prepared food items
13 exemption in paragraph one-a of subdivision (a) of section eleven
14 hundred fifteen of this chapter.

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

18 (d) A local law, ordinance or resolution imposing any tax pursuant to
19 this section, increasing or decreasing the rate of such tax, repealing
20 or suspending such tax, exempting from such tax the energy sources and
21 services described in paragraph three of subdivision (a) or of subdivi-
22 sion (b) of this section or changing the rate of tax imposed on such
23 energy sources and services or providing for the credit or refund
24 described in clause six of subdivision (a) of section eleven hundred
25 nineteen of this chapter, or electing or repealing the exemption for
26 residential solar equipment and electricity in subdivision (ee) of
27 section eleven hundred fifteen of this article, or the exemption for
28 commercial solar equipment and electricity in subdivision (ii) of
29 section eleven hundred fifteen of this article, or electing or repealing
30 the exemption for commercial fuel cell electricity generating systems
31 equipment and electricity generated by such equipment in subdivision
32 (kk) of section eleven hundred fifteen of this article must go into
33 effect only on one of the following dates: March first, June first,
34 September first or December first; provided, that a local law, ordinance
35 or resolution providing for the exemption described in paragraph thirty
36 of subdivision (a) of section eleven hundred fifteen of this chapter or
37 repealing any such exemption or a local law, ordinance or resolution
38 providing for a refund or credit described in subdivision (d) of section
39 eleven hundred nineteen of this chapter or repealing such provision so
40 provided must go into effect only on March first; provided, further,
41 that a local law, ordinance or resolution providing for the exemption
42 described in paragraph one-a of subdivision (a) of section eleven
43 hundred fifteen of this chapter or repealing any such exemption so
44 provided and a resolution enacted pursuant to the authority of subdivi-
45 sion (t) of this section providing such exemption or repealing such
46 exemption so provided may go into effect immediately. No such local law,
47 ordinance or resolution shall be effective unless a certified copy of
48 such law, ordinance or resolution is mailed by registered or certified
49 mail to the commissioner at the commissioner's office in Albany at least
50 ninety days prior to the date it is to become effective. However, the
51 commissioner may waive and reduce such ninety-day minimum notice
52 requirement to a mailing of such certified copy by registered or certi-
53 fied mail within a period of not less than thirty days prior to such
54 effective date if the commissioner deems such action to be consistent
55 with the commissioner's duties under section twelve hundred fifty of
56 this article and the commissioner acts by resolution. Where the

1 restriction provided for in section twelve hundred twenty-three of this
2 article as to the effective date of a tax and the notice requirement
3 provided for therein are applicable and have not been waived, the
4 restriction and notice requirement in section twelve hundred twenty-
5 three of this article shall also apply.

6 § 5. Section 1210 of the tax law is amended by adding a new subdivi-
7 sion (t) to read as follows:

8 (t) Notwithstanding any other provision of state or local law, ordi-
9 nance or resolution to the contrary: (1) Any city having a population of
10 one million or more in which the taxes imposed by section eleven hundred
11 seven of this chapter are in effect, acting through its local legisla-
12 tive body, is hereby authorized and empowered to elect to provide the
13 exemption from such taxes for the same hot or prepared food items exempt
14 from state sales and compensating use taxes described in paragraph one-a
15 of subdivision (a) of section eleven hundred fifteen of this chapter by
16 enacting a resolution in the form set forth in paragraph two of this
17 subdivision; whereupon, upon compliance with the provisions of subdivi-
18 sions (d) and (e) of this section, such enactment of such resolution
19 shall be deemed to be an amendment to such section eleven hundred seven
20 and such section eleven hundred seven shall be deemed to incorporate
21 such exemption as if it had been duly enacted by the state legislature
22 and approved by the governor.

23 (2) Form of resolution: Be it enacted by the (insert proper title of
24 local legislative body) as follows:

25 Section one. Receipts from sales of and consideration given or
26 contracted to be given for purchases of hot or prepared food items
27 exempt from state sales and compensating use taxes pursuant to paragraph
28 one-a of subdivision (a) of section eleven hundred fifteen of this chap-
29 ter shall also be exempt from sales and compensating use taxes imposed
30 in this jurisdiction.

31 Section two. This resolution shall take effect, (insert the date) and
32 shall apply to sales made and uses occurring on and after that date
33 although made or occurring under a prior contract.

34 § 6. The commissioner of taxation and finance is hereby authorized to
35 implement the provisions of this act with respect to the elimination of
36 the imposition of sales tax, additional taxes, and supplemental taxes on
37 hot and prepared food items and all other taxes so addressed by this
38 act.

39 § 7. This act shall take effect on the first day of the sales tax
40 quarterly period, as described in subdivision (b) of section 1136 of the
41 tax law, beginning at least 90 days after the date this act shall have
42 become a law and shall apply in accordance with the applicable transi-
43 tional provisions of sections 1106 and 1217 of the tax law and shall
44 expire and be deemed repealed two years after such date.

45 § 2. Severability. If any clause, sentence, paragraph, section or part
46 of this act shall be adjudged by any court of competent jurisdiction to
47 be invalid and after exhaustion of all further judicial review, the
48 judgment shall not affect, impair, or invalidate the remainder thereof,
49 but shall be confined in its operation to the clause, sentence, para-
50 graph, section or part of this act directly involved in the controversy
51 in which the judgment shall have been rendered.

52 § 3. This act shall take effect immediately provided, however, that
53 the applicable effective date of Parts A through D of this act shall be
54 as specifically set forth in the last section of such Parts.