

# STATE OF NEW YORK

4601--A

2025-2026 Regular Sessions

## IN SENATE

February 10, 2025

Introduced by Sens. GOUNARDES, RHOADS -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue -- recommitted to the Committee on Budget and Revenue in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the tax law, in relation to exempting school supplies from sales tax during a specified period each year

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

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

3 (47) School supplies or items commonly used by a student in a course  
4 of study for which the receipt or consideration given or contracted to  
5 be given is less than one hundred ten dollars for the total purchase,  
6 which shall include, but not be limited to, book bags or backpacks,  
7 textbooks, pens, pencils, highlighters, crayons, markers, erasers, index  
8 cards, paper, notebooks, binders, folders, scissors, rulers, and calcu-  
9 lators. Only the purchases made during the fifteen-day period commencing  
10 on the fifteenth day immediately preceding the first Monday in Septem-  
11 ber, known as Labor Day, and ending on Labor Day, during each calendar  
12 year shall be exempt under this paragraph.

13 § 2. 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

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

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1 definition and exemption provisions of such article, so far as the  
2 provisions of such article twenty-eight can be made applicable to the  
3 taxes imposed by such city or county and with such limitations and  
4 special provisions as are set forth in this article. The taxes author-  
5 ized under this subdivision may not be imposed by a city or county  
6 unless the local law, ordinance or resolution imposes such taxes so as  
7 to include all portions and all types of receipts, charges or rents,  
8 subject to state tax under sections eleven hundred five and eleven  
9 hundred ten of this chapter, except as otherwise provided. Notwith-  
10 standing the foregoing, a tax imposed by a city or county authorized  
11 under this subdivision shall not include the tax imposed on charges for  
12 admission to race tracks and simulcast facilities under subdivision (f)  
13 of section eleven hundred five of this chapter. (i) Any local law, ordi-  
14 nance or resolution enacted by any city of less than one million or by  
15 any county or school district, imposing the taxes authorized by this  
16 subdivision, shall, notwithstanding any provision of law to the contra-  
17 ry, exclude from the operation of such local taxes all sales of tangible  
18 personal property for use or consumption directly and predominantly in  
19 the production of tangible personal property, gas, electricity, refriger-  
20 eration or steam, for sale, by manufacturing, processing, generating,  
21 assembly, refining, mining or extracting; and all sales of tangible  
22 personal property for use or consumption predominantly either in the  
23 production of tangible personal property, for sale, by farming or in a  
24 commercial horse boarding operation, or in both; and all sales of fuel  
25 sold for use in commercial aircraft and general aviation aircraft; and,  
26 unless such city, county or school district elects otherwise, shall omit  
27 the provision for credit or refund contained in clause six of subdivi-  
28 sion (a) or subdivision (d) of section eleven hundred nineteen of this  
29 chapter. (ii) Any local law, ordinance or resolution enacted by any  
30 city, county or school district, imposing the taxes authorized by this  
31 subdivision, shall omit the residential solar energy systems equipment  
32 and electricity exemption provided for in subdivision (ee), the commer-  
33 cial solar energy systems equipment and electricity exemption provided  
34 for in subdivision (ii), the commercial fuel cell electricity generating  
35 systems equipment and electricity generated by such equipment exemption  
36 provided for in subdivision (kk) [~~and~~], the clothing and footwear  
37 exemption provided for in paragraph thirty of subdivision (a) of section  
38 eleven hundred fifteen of this chapter, and the school supplies or items  
39 commonly used by a student in a course of study exemption provided for  
40 in paragraph forty-seven of subdivision (a) of section eleven hundred  
41 fifteen of this chapter, unless such city, county or school district  
42 elects otherwise as to such residential solar energy systems equipment  
43 and electricity exemption, such commercial solar energy systems equip-  
44 ment and electricity exemption, commercial fuel cell electricity gener-  
45 ating systems equipment and electricity generated by such equipment  
46 exemption [~~or~~], such clothing and footwear exemption, or such school  
47 supplies or items commonly used by a student in a course of study  
48 exemption.

49 § 3. Paragraph 4 of subdivision (a) of section 1210 of the tax law, as  
50 amended by section 2 of part WW of chapter 60 of the laws of 2016,  
51 subparagraph (v) as amended by chapter 99 of the laws of 2025, subpara-  
52 graphs (xii) and (xiii) as separately amended and subparagraph (xiv) as  
53 added by section 6 of part Z of chapter 60 of the laws of 2016, is  
54 amended to read as follows:

55 (4) Notwithstanding any other provision of law to the contrary, any  
56 local law enacted by any city of one million or more that imposes the

1 taxes authorized by this subdivision (i) may omit the exception provided  
2 in subparagraph (ii) of paragraph three of subdivision (c) of section  
3 eleven hundred five of this chapter for receipts from laundering, dry-  
4 cleaning, tailoring, weaving, pressing, shoe repairing and shoe shining;  
5 (ii) may impose the tax described in paragraph six of subdivision (c) of  
6 section eleven hundred five of this chapter at a rate in addition to the  
7 rate prescribed by this section not to exceed two percent in multiples  
8 of one-half of one percent; (iii) shall provide that the tax described  
9 in paragraph six of subdivision (c) of section eleven hundred five of  
10 this chapter does not apply to facilities owned and operated by the city  
11 or an agency or instrumentality of the city or a public corporation the  
12 majority of whose members are appointed by the chief executive officer  
13 of the city or the legislative body of the city or both of them; (iv)  
14 shall not include any tax on receipts from, or the use of, the services  
15 described in paragraph seven of subdivision (c) of section eleven  
16 hundred five of this chapter; (v) shall provide that, for purposes of  
17 the tax described in subdivision (e) of section eleven hundred five of  
18 this chapter, "permanent resident" means any occupant of any room or  
19 rooms in a hotel or short term rental unit for at least one hundred  
20 eighty consecutive days with regard to the period of such occupancy;  
21 (vi) may omit the exception provided in paragraph one of subdivision (f)  
22 of section eleven hundred five of this chapter for charges to a patron  
23 for admission to, or use of, facilities for sporting activities in which  
24 the patron is to be a participant, such as bowling alleys and swimming  
25 pools; (vii) may provide the clothing and footwear exemption in para-  
26 graph thirty of subdivision (a) of section eleven hundred fifteen of  
27 this chapter, and, notwithstanding any provision of subdivision (d) of  
28 this section to the contrary, any local law providing for such exemption  
29 or repealing such exemption, may go into effect on any one of the  
30 following dates: March first, June first, September first or December  
31 first; (viii) shall omit the exemption provided in paragraph forty-one  
32 of subdivision (a) of section eleven hundred fifteen of this chapter;  
33 (ix) shall omit the exemption provided in subdivision (c) of section  
34 eleven hundred fifteen of this chapter insofar as it applies to fuel,  
35 gas, electricity, refrigeration and steam, and gas, electric, refriger-  
36 ation and steam service of whatever nature for use or consumption  
37 directly and exclusively in the production of gas, electricity, refriger-  
38 eration or steam; (x) shall omit, unless such city elects otherwise, the  
39 provision for refund or credit contained in clause six of subdivision  
40 (a) or in subdivision (d) of section eleven hundred nineteen of this  
41 chapter; (xi) shall omit, unless such city elects otherwise, the  
42 exemption for residential solar energy systems equipment and electricity  
43 provided in subdivision (ee) of section eleven hundred fifteen of this  
44 chapter; (xiii) shall omit, unless such city elects otherwise, the  
45 exemption for commercial solar energy systems equipment and electricity  
46 provided in subdivision (ii) of section eleven hundred fifteen of this  
47 chapter; ~~and~~ (xiv) shall exclude from the operation of such local  
48 taxes all sales of fuel sold for use in commercial aircraft and general  
49 aviation aircraft~~[-(xiv)];~~ (xv) shall omit, unless such city elects  
50 otherwise, the exemption for commercial fuel cell electricity generating  
51 systems equipment and electricity generated by such equipment provided  
52 in subdivision (kk) of section eleven hundred fifteen of this  
53 chapter~~[-];~~ and (xvi) may provide the school supplies and items commonly  
54 used by a student in a course of study exemption in paragraph forty-sev-  
55 en of subdivision (a) of section eleven hundred fifteen of this chapter,  
56 and, notwithstanding any provision of subdivision (d) of this section to

1 the contrary, any local law providing for such exemption or repealing  
2 such exemption, may be applicable only to the purchases made during the  
3 fifteen-day period commencing on the fifteenth day immediately preceding  
4 the first Monday in September, known as Labor Day, and ending on Labor  
5 Day, during each calendar year. Any reference in this chapter or in any  
6 local law, ordinance or resolution enacted pursuant to the authority of  
7 this article to former subdivisions (n) or (p) of this section shall be  
8 deemed to be a reference to clauses (xii) or (xiii) of this paragraph,  
9 respectively, and any such local law, ordinance or resolution that  
10 provides the exemptions provided in such former subdivisions (n) and/or  
11 (p) shall be deemed instead to provide the exemptions provided in claus-  
12 es (xii) and/or (xiii) of this paragraph.

13 § 4. This act shall take effect immediately and shall be applicable to  
14 taxable periods beginning on and after August first in the year next  
15 succeeding the year in which it shall have become a law.