

# STATE OF NEW YORK

10395

## IN ASSEMBLY

March 3, 2026

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

AN ACT to amend the tax law, in relation to sales of rental vehicles

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

1 Section 1. Subdivision (b) of section 1105 of the tax law is amended  
2 by adding a new paragraph 5 to read as follows:

3 (5) Notwithstanding any law, rule, regulation, letter, ruling, or  
4 policy to the contrary, the sale of a rental vehicle to a rental busi-  
5 ness for use in such business is subject to the taxes imposed under this  
6 section and shall not be considered a sale for resale.

7 § 2. This act shall take effect on the thirtieth day after it shall  
8 have become a law and shall apply to sales of rental vehicles occurring  
9 on or after such date. Effective immediately, the addition, amendment  
10 and/or repeal of any rule or regulation necessary for the implementation  
11 of this act on its effective date are authorized to be made and  
12 completed on or before such effective date.

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

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