STATE OF NEW YORK

5430

2025-2026 Regular Sessions

IN ASSEMBLY

February 14, 2025

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

AN ACT to amend the tax law, in relation to making technical changes relating to the rescindment of certificates of authority

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

Section 1. Subparagraph (A) of paragraph 4 of subdivision (a) of section 1134 of the tax law, as amended by section 2 of part P of chapter 59 of the laws of 2021, is amended to read as follows:

(A) Where a person who holds a certificate of authority**, and with respect to only the person's obligation to pay taxes,** (i) willfully fails to file a report or return required by this article, (ii) willfully files, causes to be filed, gives or causes to be given a report, return, certificate or affidavit required under this article which is false, (iii) willfully fails to comply with the provisions of paragraph two or three of subdivision (e) of section eleven hundred thirty-seven of this [~~article~~] **part**, (iv) willfully fails to prepay, collect, truthfully account for or pay over any tax imposed under this article or pursuant to the authority of article twenty-nine of this chapter, (v) fails to obtain a bond pursuant to paragraph two of subdivision (e) of section eleven hundred thirty-seven of this part, or fails to comply with a notice issued by the commissioner pursuant to paragraph three of such subdivision, (vi) has been convicted of a crime provided for in this chapter, (vii) where such person, or any person affiliated with such person as such term is defined in subdivision twenty-one of section four hundred seventy of this chapter, has had a retail dealer registration issued pursuant to section four hundred eighty-a of this chapter revoked pursuant to subparagraph (iii) of paragraph (a) of subdivision four of such section four hundred eighty-a, or (viii) has not obtained a valid retail dealer registration under section four hundred eighty-a of this chapter and such person possesses or sells unstamped or unlawfully stamped packages of cigarettes three or more times within a period of five years, the commissioner may revoke or suspend such certificate of authority and all duplicates thereof. Provided, however, that the

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

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commissioner may revoke or suspend a certificate of authority based on (a) the grounds set forth in clause (vi) of this subparagraph only where the conviction referred to occurred not more than one year prior to the date of revocation or suspension; and provided further that where the commissioner revokes or suspends a certificate of authority based on the grounds set forth in clause (vii) of this subparagraph, such suspension or revocation shall continue for as long as the revocation of the retail dealer registration pursuant to section four hundred eighty-a of this chapter remains in effect, or (b) the grounds set forth in clause (viii) of this subparagraph, such suspension or revocation shall be for a period of five years.

§ 2. Subparagraph (A) of paragraph 4 of subdivision (a) of section 1134 of the tax law, as amended by section 2-a of part P of chapter 59 of the laws of 2021, is amended to read as follows:

(A) Where a person who holds a certificate of authority**, and with respect to only the person's obligation to pay taxes,** (i) willfully fails to file a report or return required by this article, (ii) willfully files, causes to be filed, gives or causes to be given a report, return, certificate or affidavit required under this article which is false, (iii) willfully fails to comply with the provisions of paragraph two or three of subdivision (e) of section eleven hundred thirty-seven of this [~~article~~] **part**, (iv) willfully fails to prepay, collect, truthfully account for or pay over any tax imposed under this article or pursuant to the authority of article twenty-nine of this chapter, (v) has been convicted of a crime provided for in this chapter, (vi) where such person, or any person affiliated with such person as such term is defined in subdivision twenty-one of section four hundred seventy of this chapter, has had a retail dealer registration issued pursuant to section four hundred eighty-a of this chapter suspended or revoked pursuant to subparagraph (iii) of paragraph (a) of subdivision four of such section four hundred eighty-a, or (vii) has not obtained a valid retail dealer registration under section four hundred eighty-a of this chapter and such person possesses or sells unstamped or unlawfully stamped packages of cigarettes three or more times within a period of five years, the commissioner may revoke or suspend such certificate of authority and all duplicates thereof. Provided, however, that the commissioner may revoke or suspend a certificate of authority based on (a) the grounds set forth in clause (v) of this subparagraph only where the conviction referred to occurred not more than one year prior to the date of revocation or suspension; and provided further that where the commissioner revokes or suspends a certificate of authority based on the grounds set forth in clause (vi) of this subparagraph, such suspension or revocation shall continue for as long as the revocation of the retail dealer registration pursuant to section four hundred eighty-a of this chapter remains in effect, or (b) the grounds set forth in clause (vii) of this subparagraph, such suspension or revocation shall be for a period of five years.

§ 3. This act shall take effect immediately and shall apply to any and all notices for rescindment issued on and after January 1, 2016; provided that the amendments to subparagraph (A) of paragraph 4 of subdivision (a) of section 1134 of the tax law made by section one of this act shall be subject to the expiration and reversion of such subparagraph pursuant to subdivision (e) of section 23 of part U of chapter 61 of the laws of 2011, as amended, when upon such date the provisions of section two of this act shall take effect.